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**CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY  
AND RELATED DOCUMENTS**

**ISSUED BY**

**THE GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES  
(AUTHORIZING BODY)**

**ISSUED TO**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY  
(A PUBLIC SCHOOL ACADEMY)**

**CONFIRMING THE STATUS OF**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY**

**AS A**

**PUBLIC SCHOOL ACADEMY**

**DATED:  
JULY 1, 2013**

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## Contract to Charter a Public School Academy

Pursuant to Part 6a of the Revised School Code (“Code”), being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the Grand Valley State University Board of Trustees (“University Board”) issues a contract to Southwest Detroit Lighthouse Charter Academy (the “Academy”), to be effective July 1, 2013, confirming the Academy’s status as a public school academy in this State. The Parties agree that the issuance of this Contract is subject to the following Terms and Conditions:

### ARTICLE I

#### DEFINITIONS

Section 1.1. Certain Definitions. For purposes of this Contract, and in addition to the terms defined throughout this Contract, each of the following words or expressions, whenever capitalized, shall have the meaning set forth in this section:

- a) **Academy** means the Michigan non-profit corporation authorized by this Contract.
- b) **Academy Board** means the Board of Directors of the Academy authorized by this Contract. **Academy Board member** or **Academy Director** means an individual who is a member of the Academy Board, whether in the past, present or future.
- c) **Applicable Law** means all state and federal law applicable to public school academies.
- d) **Applicant** means the person or entity that submitted the public school academy application to the University for the establishment of the Academy.
- e) **Application** means the public school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- f) **Authorization Resolution** means the resolution adopted by the Grand Valley State University Board of Trustees approving the issuance of a Contract.
- g) **Charter School** means public school academy.
- h) **Code** means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.
- i) **Contract** means, in addition to the definitions set forth in the Code, the Terms and Conditions and the Schedules.

- j) **Educational Service Provider or “ESP”** means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the University Charter Schools Office Director for review as provided in Section 11.11 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the Charter Schools Office Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- k) **Fund Balance Deficit** means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- l) **Management Agreement or ESP Agreement** means an agreement as defined under section 503c of the Code, MCL 380.503c that has been entered into between an ESP and the Academy Board for operation and/or management of the Academy, which has been submitted to the University Charter Schools Office Director for review as provided in Section 11.11 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the CSO Educational Service Provider Policies as they may be amended from time to time, and Applicable Law.
- m) **Master Calendar of Reporting Requirements (MCRR)** means the compliance certification duties required of the Academy by the University Board. The University Charter Schools Office may amend the MCRR each fiscal year or at other times as deemed appropriate by the University President. These changes shall be automatically incorporated into the Contract and shall be exempt from the Contract amendment procedures under Article IX of these Terms and Conditions.
- n) **Method of Selection Resolution** means the resolution adopted by the University Board providing for the method of selection, length of term, number of members, qualification of Board Academy members and other pertinent provisions relating to the Academy Board.
- o) **Resolution** means any resolution adopted by the Grand Valley State University Board of Trustees.
- p) **Schedules** mean the schedules incorporated into and part of the Terms and Conditions.

- q) **Terms and Conditions** means this document entitled Terms and Conditions of Contract issued by the Grand Valley State University Board of Trustees.
- r) **University** means Grand Valley State University established pursuant to Article VIII, Sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.841 *et seq.*
- s) **University Board** means the Grand Valley State University Board of Trustees.
- t) **University Charter Schools Hearing Panel** or **Hearing Panel** means such person(s) as designated by the University President.
- u) **University Charter Schools Office** or **CSO** means the office the University Board, by issuance of this Contract, hereby designates as the point of contact for public school academy applicants and public school academies authorized by the University Board. The University Charter Schools Office is also responsible for managing, implementing, and overseeing the University Board's responsibilities with respect to the Contract.
- v) **University Charter Schools Office Director** or **CSO Director** means the person designated by the University President to administer the operations of the University Charter Schools Office.
- w) **University President** means the President of Grand Valley State University or his or her designee.

Section 1.2. Schedules. All Schedules to this Contract are part of this Contract.

Section 1.3. Statutory Definitions. Statutory terms defined in the Code shall have the same meaning in this Contract.

Section 1.4. Application. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in the Contract shall control.

Section 1.5. Conflicting Contract Provisions. In the event that there is a conflict between the language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution, Authorizing Resolution and these Terms and Conditions.

## ARTICLE II

### **ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY**

Section 2.1. University Board Resolutions. For purposes of this Contract, the University Board has adopted the following resolutions:

(a) Method of Selection Resolution. The University Board has adopted the Method of Selection Resolution, which is incorporated into this Contract as part of Schedule 1. At anytime and at its sole discretion, the University Board may amend the Method of Selection Resolution. Upon University Board approval, changes to the Method of Selection Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions.

(b) Authorizing Resolutions. The University Board has adopted the Authorizing Resolution, which is incorporated into this Contract as part of Schedule 1.

Section 2.2. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Contract incorporated into this Contract as Schedule 5. Additionally, the Academy shall be responsible for the following:

- a) In the event that the University President determines that the Academy's educational outcomes should be reviewed to help determine if the Academy is meeting the educational goals set forth in the Schedules, the University President, at his or her discretion, may require an objective evaluation of student performances by an educational consultant, acceptable to both the Academy and the University President. The Academy shall pay for the expense of the evaluation. In addition, at any time, the University President may require an evaluation of student performance to be selected by and at the expense of the University. The Academy shall cooperate with the evaluation, including any student testing required.
- b) Within ten (10) days of receipt, the Academy shall notify the University Charter Schools Office of correspondence received from the Department of Education or State Board of Education that requires a written or formal response.
- c) Within ten (10) days of receipt, the Academy shall report to the University Charter Schools Office and the University Counsel Office any litigation or formal proceedings alleging violation of Applicable Law or contractual agreement against the Academy, its officers, employees, agents, and/or contractors.
- d) The Academy shall permit review of the Academy's records and inspection of its premises at any time by representatives of the University. Normally, such inspections

shall occur during the Academy's hours of operation and after advance notice to the Academy.

- e) The Academy shall provide the Charter Schools Office with copies of reports and assessments concerning the educational outcomes achieved by pupils attending the Academy and shall provide necessary approvals for the Charter Schools Office to access electronic information received or stored by the State of Michigan including, but not limited to, the Department of Education or other agency authorized by the State to collect school data.
- f) The Academy shall submit audited financial statements, including auditor's management letters and any exceptions noted by the auditors, to the University Charter Schools Office. The financial statements and auditor's management letters shall be submitted to the University Charter Schools Office within ninety (90) days after the end of the Academy's fiscal year.
- g) The Academy shall provide the University Charter Schools Office with a copy of the proposed annual budget for the upcoming fiscal year of the Academy no later than July 1st. The Academy Board is responsible for establishing, approving and amending the annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, and for providing all amendments and revisions to the University Charter Schools Office following Academy Board approval.
- h) The Academy shall provide to the University Charter Schools Office minutes of all Academy Board meetings no later than fourteen (14) days after such meeting.

Section 2.3. University Board Administrative Fee. During the term of this Contract, the Academy shall pay the University Board an administrative fee of 3% of the state school aid payments received by the Academy. For purposes of this Contract, state school aid payments received by the Academy in July and August in any given year shall be deemed to have been received by the Academy during the Contract term. This fee shall be retained by the University Board from each state school aid payment received by the University Board for forwarding to the Academy. This fee shall compensate the University Board for issuing the Contract and overseeing the Academy's compliance with the Contract and all Applicable Law.

Section 2.4. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. The University Board shall, within three (3) business days, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The University Board shall retain any amount owed to the University Board by the Academy pursuant to this Contract. For purposes of this section, the responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 4.

Section 2.5. Authorization of Employment. The Academy may employ or contract with personnel. If the Academy contracts for personnel with an Educational Service Provider, the Academy shall submit a draft of the proposed agreement to the University Charter Schools

Office for review. The University Charter Schools Office may disapprove the proposed agreement if it contains provisions in violation of this Contract or Applicable Law. No ESP agreement shall be effective unless and until the agreement complies with Section 11.12 of these Terms and Conditions. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. The Academy Board shall prohibit any individual from being employed by the Academy, an ESP, or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. The Academy shall be responsible for carrying worker's compensation insurance and unemployment insurance for its employees.

Section 2.6. Financial Obligations of the Academy are Separate from the State of Michigan, University Board and the University. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.7. Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

Section 2.8. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract term set forth in Section 12.14 without any further action of either the Academy or the University Board. Prior to the end of the Contract term, the University Board shall provide a description of the process and standards by which the Academy may be considered for the issuance of a new contract. The timeline for consideration of whether to issue a new contract to the Academy shall be solely determined by the University Board. The standards for issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. The University Board, at its sole discretion, may change its process and standards for issuance of a contract at anytime, and any such changes shall take effect automatically without the need for any amendment to this Contract. Consistent with the Code, the University Board may elect, at its sole discretion, not to consider the issuance of a contract,



consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

### **ARTICLE III**

#### **REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION**

Section 3.1. Governmental Agency or Entity and Political Subdivision. The Academy shall act exclusively as a governmental agency or entity and political subdivision.

Section 3.2. Other Permitted Activities. Nothing in this Contract shall prohibit the Academy from engaging in other lawful activities that are not in derogation of the Academy's status as a public school or that would not jeopardize the eligibility of the Academy for state school aid funds. Subject to Section 2.5 and Section 6.15 of the Terms and Conditions, the Academy may enter into agreements with other public schools, public school academies, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.

### **ARTICLE IV**

#### **PURPOSE**

Section 4.1. Academy's Purpose. The Academy Board shall identify the purpose or mission of the Academy. Any subsequent changes to the Academy's purpose or mission shall be carried out by amendment in accordance with Article IX of these Terms and Conditions. The Academy's stated purpose or mission shall be set forth in the Schedules.

### **ARTICLE V**

#### **CORPORATE STRUCTURE OF THE ACADEMY**

Section 5.1. Articles of Incorporation. Unless amended pursuant to Section 9.2 of Article IX herein, the Articles of Incorporation of the Academy, as set forth in Schedule 2, shall be the Articles of Incorporation of the Academy. The Academy Board represents to the University Board that Schedule 2 includes all amendments to the Academy's Articles of Incorporation as of the date set forth above.

Section 5.2. Bylaws. Unless amended pursuant to Section 9.3 of Article IX herein, the Bylaws of the Academy, as set forth in Schedule 3, shall be the Bylaws of the Academy. The Academy Board represents to the University Board that Schedule 3 includes all amendments to the Academy's Bylaws as of the date set forth above.

## ARTICLE VI

### OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the governance structure as set forth in its Bylaws. The Academy's Board of Directors shall meet at least six times per fiscal year, unless another schedule is mutually agreed upon by the University President and the Academy.

Section 6.2. Contributions and Fund Raising. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of the University. The University shall not be required to receive any contributions or donations for the benefit of the Academy. If the University receives contributions or donations for the benefit of the Academy, it shall forward such funds to the Academy within three (3) business days of receipt.

Section 6.3. Educational Goals and Programs. The Academy shall pursue the educational goals and programs identified and contained in the Schedules. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils. Such goals and programs may be amended pursuant to Section 9.1 of Article IX of the Terms and Conditions. Upon request, the Academy shall provide the University Charter Schools Office with a written report, along with supporting data, assessing the Academy's progress toward achieving its goal(s).

Section 6.4. Curriculum. The Academy shall have flexibility in developing, realigning, and implementing the curriculum identified in the Schedules. Any changes to the curricula shall be administered pursuant to Section 9.1 of Article IX of the Terms and Conditions, and such proposed curricula shall be designed to achieve the Academy's overall educational goals and State's educational assessment objectives.

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the Michigan Education Assessment Program (MEAP) test or the Michigan Merit Examination (MME) designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;

- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to suspend, terminate, or not issue a new contract at the end of the Contract, or revoke the Contract.

Section 6.6. Staff Responsibilities. Subject to Section 2.5 Article II of the Terms and Conditions, the University Board authorizes the Academy to employ or contract with an Educational Service Provider. A copy of the ESP agreement shall be included in the Schedules.

Section 6.7. Admission Policy. The Academy shall comply with all application, enrollment and admissions policies and criteria required by Applicable Law. A copy of the Academy's admission policies and criteria are set forth in the Schedules. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the University Charter Schools Office that demonstrates the following:

- a) the Academy has made a reasonable effort to advertise its enrollment efforts to all pupils; and
- b) the Academy's open enrollment period was for a duration of at least 2 weeks and permitted the enrollment of pupils by parents at times in the evening and on weekends.

Section 6.8. School Calendar/School Day Schedule. The Academy shall comply with all minimum standards governing the length of the school term, minimum number of days and hours of instruction required by Applicable Law. The Academy agrees to make available to the CSO Office a copy of the School Calendar/School Day Schedule for each academic school year no later than July 1<sup>st</sup>. A copy of the School Calendar/School Day Schedule shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.9. Age/Grade Range of Pupils Enrolled. The Academy is authorized to operate Kindergarten through Twelfth grade(s). The Academy may add additional grades and vocational programs in the future, pursuant to Section 9.1 of Article IX of the Terms and Conditions.

Section 6.10. Annual Financial Audit. The Academy shall conduct an annual financial audit prepared and reviewed by an independent certified public accountant in accordance with generally accepted governmental auditing principles. The Academy shall submit the annual financial statement audit and auditor's management letter to the Charter Schools Office in accordance with the MCRR. The Academy Board shall provide to the Charter Schools Office a copy of any responses to the auditor's management letter in accordance with the MCRR.

Section 6.11. Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations. The proposed address and physical plant description of the

Academy's proposed site or sites is set forth in Schedule 7-8. Following Academy Board and University Board approval, proposed changes to the address and description of any site or sites shall be incorporated into this Contract by amendment. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 7-8 are under the direction and control of the Academy Board.

The University Board's process for evaluating and approving the same configuration of age or grade levels at more than one (1) site is as follows:

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the University Charter Schools Office an application for site expansion, in a form or manner determined by the University Charter Schools Office. The application for site expansion shall include all information requested by the University Charter Schools Office, including detailed information about the site, revised budget, renovation and site improvement costs, the Academy's proposed operations at the site, and the information provided in Contract Schedules 7-8. Upon receipt of a complete application for site expansion, the University Charter Schools Office shall review the application for site expansion and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the University Charter Schools Office of the application for site expansion shall include a determination by the Charter Schools Office that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request following submission by the University Charter Schools Office of a positive recommendation.

If the University Board approves the Academy Board's site expansion request, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject, or approve any application for site expansion in its sole and absolute discretion.

Section 6.12. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles, and accounting system requirements that comply with Applicable Law.

Section 6.13. Placement of University Student Interns. The Academy may be a placement site for University students who are in education or other pre-professionals in training to serve in public schools. Such placement shall be without charge to the University and subject to other terms and conditions as the Academy and the University agree.

Section 6.14. Disqualified Organizational or Contractual Affiliations. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this

Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15. Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the University Charter Schools Office for review. Any matriculation agreement entered into by the Academy shall be added to the Schedules through a contract amendment approved in accordance with the Contract. Until the matriculation agreement is incorporated into the Contract, the Academy is prohibited from granting an enrollment priority to any student pursuant to that matriculation agreement.

Section 6.16. Posting of Adequate Yearly Progress (AYP) and Accreditation Status. The Academy shall post notices to the Academy's homepage of its website disclosing the adequate yearly progress status and accreditation status of each school in accordance with section 1280E of the Code, MCL 380.1280E.

## **ARTICLE VII**

### **TUITION PROHIBITED**

Section 7.1. Tuition Prohibited: Fees and Expenses. The Academy shall not charge tuition. The Academy may impose fees and require payment of expenses for activities of the Academy where such fees and payments are not prohibited by law.

## **ARTICLE VIII**

### **COMPLIANCE WITH PART 6A OF THE CODE AND OTHER LAWS**

Section 8.1. Compliance with Part 6a of the Code. The Academy shall comply with Part 6a of the Code.

Section 8.2. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended from time to time. The Academy may expend funds from the State School Aid Act for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 8.3. Open Meetings Act. Pursuant to Section 503(6)(a) of the Code, the Academy Board shall conduct all of its meetings in accordance with the Michigan Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws.

Section 8.4. Freedom of Information Act. Pursuant to Section 503(6)(b) of the Code, the records of the Academy shall be records subject to the provisions of the Michigan Freedom of Information Act ("FOIA"), Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws. The Academy Board shall designate

a freedom of information coordinator to assure compliance with FOIA and other applicable law providing for public disclosure or for protection of privacy.

Section 8.5. Public Employees Relation Act. Pursuant to Section 503(6)(c) of the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 8.6. Prevailing Wage on State Contracts. The Academy shall comply with the Prevailing Wage on State Contracts statute, Act No. 166 of the Public Acts of 1965, being Sections 408.551 to 408.558 of the Michigan Compiled Laws.

Section 8.7. Uniform Budgeting and Accounting Act. The Academy shall comply with the Uniform Budgeting and Accounting Act, Act No. 2 of the Public Acts of 1968, being MCL 141.421 to 141.440a.

Section 8.8. Revised Municipal Finance Act of 2001. With respect to the Academy's borrowing money and issuance of bonds, the Academy shall comply with section 1351a of the Code and Part VI of the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2601 to 141.2613 of the Michigan Compiled Laws, except that the borrowing of money and issuance of bonds by the Academy is not subject to section 1351a(4) or section 1351(2) to (4) of the Code. Bonds issued by the Academy are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Section 8.9. Non-discrimination. The Academy shall be separately responsible for compliance with applicable laws pertaining to equal opportunity and anti-discrimination laws such as the Elliott-Larsen Civil Rights Act, Act No. 453 of the Public Acts of 1976, as amended, being MCL 37.2101 to 37.2804, the Michigan Handicappers' Civil Rights Act, Act No. 22 of the Public Acts of 1976, as amended, being MCL 37.1101 to 37.1607, and Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, 42 USC & 12101 *et seq.* or any successor law.

Section 8.10. Other State Laws. The Academy shall comply with other state laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other state law to the Academy.

Section 8.11. Federal Laws. The Academy shall comply with federal laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other federal law to the Academy.

## **ARTICLE IX**

### **AMENDMENT**

Section 9.1. Process for Amending the Contract. Either party may propose changes in this Contract or may propose a meeting to discuss potential revision of this Contract. Except as provided in Sections 2.1, 5.1 and 6.11, the University Board delegates to its University President

the review and approval of changes or amendments to this Contract. The Academy Board may delegate the same authority to the Academy Board President. The Contract shall be amended upon agreement and approval of the respective authorized designees.

Section 9.2. Process for Amending Academy Articles of Incorporation. The Academy Board, or any authorized designee of the Academy Board, may propose changes to the Academy's Articles of Incorporation. The Academy shall be authorized to make such changes to its Articles upon approval by the President or Designee of the University after review and recommendation by the University's Legal Counsel. Upon University approval, the Academy Board's authorized designee is authorized to file the amendment to the Academy's Articles of Incorporation with the appropriate state agency. Upon receipt of the filed amendment, the Academy shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of this Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provision in the Articles of Incorporation that violates or conflicts with this Contract, due to a change in law or other reason, after approval has been given, it shall notify the Academy Board in writing and the Academy Board shall amend the Articles of Incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the Academy for the filing fees payable to the Michigan Department of Labor and Economic Growth.

Section 9.3. Process for Amending Academy Bylaws. The Academy Board shall submit proposed Bylaw changes to the Charter Schools Office, for review and comment, at least thirty (30) days prior to Academy Board adoption. The Academy's Bylaws, and any subsequent or proposed changes to the Academy's Bylaws, shall not violate or conflict with the Contract. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with Applicable Law or this Contract, the Academy Board's Bylaws shall be automatically void and the Academy Board shall amend the identified provision to be consistent with Applicable Law and the Contract. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt by the University Charter Schools Office of a duly authorized Academy Board Bylaw change made in accordance with this Section 9.3.

Section 9.4. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law, which alters or amends the responsibilities and obligations of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing laws as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

## **ARTICLE X**

### **TERMINATION, SUSPENSION AND REVOCATION**

Section 10.1. Grounds and Procedures for Academy Termination of Contract. At anytime and for any reason, the Academy Board may terminate this Contract. The Academy Board shall notify the CSO Director in writing of the request for the termination of the Contract

not less than ten (10) calendar months in advance of the effective date of termination. The University Board, in its sole discretion, may waive the ten (10) month requirement. A copy of the Academy Board's resolution approving the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the written termination request.

Section 10.2. Termination by University Board. The University Board may terminate this Contract before the end of the Contract Term as follows:

(a) Termination Without Cause. Except as otherwise provided in subsections (b), (c) or (d), the University Board, in its sole discretion, reserves the right to terminate this Contract before the end of the Contract Term for any reason provided that such termination shall not take place less than ten (10) calendar months from the date of the University Board's resolution approving such termination. The Charter Schools Office shall provide notice of the termination to the Academy. If during the period between the University Board's action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University Board may elect to initiate suspension or revocation of the Contract as set forth in this Article X.

(b) Termination Caused by Change in Applicable Law. Following issuance of this Contract, if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then the University Board may terminate the Contract at the end of the Academy's school fiscal year in which the University Board's decision to terminate is adopted. For purposes of this section, a change in Applicable Law includes without limitation the following:

(i) the issuance of an order by the Superintendent of Public Instruction, pursuant to Section 1280c of the Code, placing the Academy under the supervision of the State School Reform/Redesign Officer; or

(ii) the development of, or changes to, a redesign plan by the Academy pursuant to Section 1280c of the Code.

(c) Automatic Termination Caused By Placement of Academy in State School Reform / Redesign School District. If the Academy is notified by the State that the Academy will be placed in the State School Reform/Redesign School District pursuant to Section 1280c of the Code, then the University Board may terminate this Contract at the end of the current school year.

(d) Automatic Termination For Failure to Satisfy Requirements During the Initial Term of Contract. If the Academy fails to satisfy the requirements set forth in Section 12.14 during the initial term of Contract, then this Contract shall automatically terminate on the date set forth in Section 12.14.

The revocation procedures in Section 10.6 shall not apply to a termination of this Contract under this section.



Section 10.3. Contract Suspension. The University Board's process for suspending the Contract is as follows:

- a) University President Action. If the University President determines, in his or her sole discretion, that conditions or circumstances exist that the Academy Board (i) has placed the health or safety of the staff and/or students at risk; (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property; (iii) has lost its right to occupancy of the physical facilities described in Section 6.11, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities; or (iv) has willfully or intentionally violated this Contract or Applicable Law, the University President may immediately suspend the Contract. If the conditions or circumstances involve an alleged violation of Sections 10.5(e) or (f), the University President is authorized to suspend the Contract immediately pending completion of the procedures set forth in Section 10.6. Unless otherwise specified in the suspension notice, the Academy shall cease operations on the date on which the suspension notice is issued. A copy of the suspension notice, setting forth the grounds for suspension, shall be sent to the Academy Board and to the Hearing Panel if applicable. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.6 shall be expedited as much as possible.
- b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the University President to suspend the Contract may be retained by the University Board for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury.
- c) Immediate Revocation Proceeding. If the Academy Board, after receiving a Suspension Notice from the University President continues to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may immediately convene a Revocation Hearing in accordance with the procedures set forth in Section 10.6(e) of the Terms and Conditions. The Hearing Panel has the authority to accelerate the time line for revoking the Contract, provided that notice of the revocation hearing shall be provided to the University Charter Schools Office and the Academy Board at least five (5) days before the hearing. If the Hearing Panel determines that the Academy Board has continued to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may recommend revocation of the Contract. The University Board shall proceed to consider the Hearing Panel's recommendation in accordance with Section 10.6(f) through (i).

Section 10.4 Statutory Grounds for Revocation. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.7, this Contract may also be revoked by the University Board upon a determination by the University Board, pursuant to the procedures set forth in Section 10.6, that one or more of the following has occurred:

- a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals set forth in this Contract;

- b) Failure of the Academy to comply with all Applicable Law;
- c) Failure of the Academy to meet generally accepted public sector accounting principles and demonstrate sound fiscal stewardship; or
- d) The existence of one or more other grounds for revocation as specified in this Contract.

Section 10.5. Other Grounds for University Board Revocation. In addition to the statutory grounds for revocation set forth in Section 10.4 and the grounds for an automatic revocation of the Contract set forth in Section 10.7, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- a) The Academy is insolvent, has been adjudged bankrupt, or has operated for one or more school fiscal year(s) with a Fund Balance Deficit;
- b) The Academy has insufficient enrollment to successfully operate the Academy, or the Academy has lost more than twenty-five percent (25%) of its student enrollment from the previous school year;
- c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;
- d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services, without first obtaining University Board approval;
- e) The University Board discovers grossly negligent, fraudulent or criminal conduct by the Applicant, the Academy's directors, officers, employees or agents in relation to their performance under this Contract;
- f) The Applicant, the Academy's directors, officers or employees have provided false or misleading information or documentation to the University Board in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law;
- g) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University Board; or
- h) The University Board, its trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any educational management agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.11 of the Terms and Conditions.

Section 10.6. University Board Procedures for Revoking Contract. Except for the automatic revocation process set forth in Section 10.7 or the termination of Contract by the University Board in Section 10.2, the University Board's process for revoking the Contract is as follows:

- a) Notice of Intent to Revoke. The CSO Director or other University representative, upon reasonable belief that such grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.
- b) Academy Board's Response. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the CSO Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the CSO Director prior to a review of the Academy Board's response.
- c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, whichever is sooner, the CSO Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the CSO Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the CSO Director shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, the CSO Director is permitted to adopt, modify or reject some or all of the Academy Board's response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be withdrawn if the CSO Director determines any of the following: (i) the Academy Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction. In the event the Notice of Intent to Revoke is withdrawn, the CSO Director shall notify the Academy Board, in writing, of such withdrawal.
- d) Plan of Correction May Include Conditions to Satisfy University Board's Contract Reconstitution Obligation. As part of the Plan of Correction, the CSO Director may reconstitute the Academy in an effort to improve student educational performance

and to avoid interruption of the educational process. An attempt to improve student educational performance may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board members; (ii) termination of at-will board appointments of 1 or more Academy Board members; (iii) withdrawal of the Academy's authorization to contract with an ESP; or (iv) the appointment of a new Academy Board of directors or a conservator/trustee to take over operations of the Academy. The University Charter Schools Office shall notify the Superintendent of Public Instruction of any Plan of Correction that includes a reconstitution of the Academy to ensure that the Academy is not included on the list of school buildings subject to automatic closure under section 1280c of the Code.

- e) Request for Revocation Hearing. The CSO Director or other University representative may initiate a revocation hearing before the University Charter Schools Hearing Panel if the CSO Director determines that any of the following has occurred:
- i) the Academy Board has failed to timely respond to the Notice of Intent to Revoke as set forth in Section 10.6(b);
  - ii) the Academy Board's response to the Notice of Intent to Revoke is non-responsive;
  - iii) the Academy Board's response admits violations of the Contract or Applicable Law which the CSO Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the CSO Director determines that a Plan of Correction cannot be formulated;
  - iv) the Academy Board's response contains denials that are not supported by sufficient documentation or other evidence showing compliance with the Contract or Applicable Law;
  - v) the Academy Board has not complied with part or all of a Plan of Correction established in Section 10.6(c);
  - vi) the Academy Board has engaged in actions that jeopardize the financial or educational integrity of the Academy; or
  - vii) the Academy Board has been issued multiple or repeated Notices of Intent to Revoke.

The CSO Director or other University representative shall send a copy of the Request for Revocation Hearing to the Academy Board at the same time the request is sent to the Hearing Panel. The Request for Revocation Hearing shall identify the reasons for revoking the Contract.

- f) Hearing before University Charter Schools Hearing Panel. Within thirty (30) days of the date of a Request for Revocation Hearing, the Hearing Panel shall convene a revocation hearing. The Hearing Panel shall provide a copy of the Notice of Hearing to the University Charter Schools Office and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the CSO Director's request for Contract revocation, and to make a recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the CSO Director or other University Representative. The hearing shall be transcribed by

a court reporter and the cost of the court reporter shall be divided equally between the University and the Academy. The CSO Director or his or her designee, and the Academy Board or its designee, shall each have equal time to make their presentation to the Hearing Panel. Although each party is permitted to submit affidavits and exhibits in support of their positions, the Hearing Panel will not hear testimony from any witnesses for either side. The Hearing Panel, may, however, question the CSO Director and one or more members of the Academy Board. Within thirty (30) days of the Revocation Hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. In its discretion, the Hearing Panel may extend any time deadline set forth in this subsection. A copy of the Hearing Panel's recommendation shall be provided to the University Charter Schools Office and the Academy Board at the same time that the recommendation is sent to the University Board.

- g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available copies of the Hearing Panel's recommendation and the transcript of the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board meeting to consider the Hearing Panel's recommendation. A copy of the University Board's decision shall be provided to the University Charter Schools Office, the Academy Board and the Michigan Department of Education.
- h) Effective Date of Revocation. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board's act of revocation, or at a later date as determined by the University Board, but no later than the last day of the Academy's current academic year.
- i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be held by the University Board and returned to the Michigan Department of Treasury.
- j) Disposition of District Code Number. Notwithstanding any other provision of the Contract, after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, the district code number shall remain under the direction and control of the State Board of Education and/or its designated representative.

Section 10.7. Automatic Revocation by State of Michigan. If the University Board is notified by the Superintendent of Public Instruction that the Academy is subject to closure under Part 6a of the Code ("State's Automatic Closure Notice"), and the Academy is currently not

undergoing a reconstitution as part of a Plan of Correction developed under Section 10.6, then this Contract shall automatically be amended to eliminate the Academy's authority to operate certain age and grade levels at the site or sites identified in the State's Automatic Closure Notice. If the State's Automatic Closure Notice includes all of the Academy's existing sites, then this Contract shall automatically be revoked at the end of the current school year in which the notice is received without any further action of the University Board or the Academy. The University Board's revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

Following receipt of the State's Automatic Closure Notice, the University Charter Schools Office shall forward a copy of the State's Automatic Closure Notice to the Academy Board and request a meeting with Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in the State's Automatic Closure Notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Revocation Notice shall be directed to the Superintendent of Public Instruction, in a form and manner determined by that office or the Michigan Department of Education.

Section 10.8. Material Breach of Contract. The issuance of an order by the Superintendent of Public Instruction, pursuant to section 1280C of the Code, placing the Academy under the supervision of the State School Reform/ Redesign Officer, shall constitute a material breach of this Contract. Following the issuance of the order, the University Charter Schools Office shall notify the Academy of the material breach and request a meeting with Academy Board representatives to discuss the matter. To remedy the material breach, the Academy shall work toward the development of a corrective action plan that is acceptable to the University Charter Schools Office. In addition to other matters, the corrective action plan shall include the Academy's redesign plan prepared pursuant to section 1280C of the Code. The development of a corrective action plan under this Section 10.8 shall not in any way limit the rights of the University Board to terminate, suspend, or revoke this Contract.

Section 10.9. Appointment of Conservator/Trustee. Notwithstanding any other provision of the Contract, when the University Board determines that conditions or circumstances exist to lead the University Board to believe that the health, safety, educational or economic interest of the Academy or its students is at risk, the University Board may take immediate action against the Academy pending completion of the procedures described in Sections 10.6. The University Board may appoint a conservator/ trustee to manage the day-to-day operations of the Academy in place of the Academy Board. A conservator/ trustee appointed by the University Board shall have all the powers and authority of the Academy Board under this Contract and Applicable Law. Upon the appointment of a conservator/ trustee, the appointment and term of office for each Academy Board member shall cease. If this section has been implemented and the Hearing Panel under Section 10.6 determines the revocation to be appropriate, the revocation shall become effective immediately upon the University Board's decision.

## ARTICLE XI

### PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. Grand Valley State University Faculty Employment in the Academy. Subject to the ability of the Academy to reach separate agreement on the terms, the Academy is permitted to use University faculty as classroom teachers in any grade.

Section 11.2. The Academy Faculty Appointment to Grand Valley State University Faculty. Nothing in this Contract shall prohibit a member of the Academy faculty from being appointed to or serving as a member of the University faculty.

Section 11.3. Student Conduct and Discipline. The Academy Board shall adopt, abide by and enforce its own set of written policies concerning student conduct and student discipline.

Section 11.4. Insurance. The Academy shall secure and maintain in its own name as the “first named insured” at all times the following insurance coverage:

- a) Property insurance covering all of the Academy’s real and personal property, whether owned or leased;
- b) General/Public Liability with a minimum of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate (Occurrence Form);
- c) Auto Liability (Owned and Non-Owned) with a minimum of one million dollars (\$1,000,000) (Occurrence Form);
- d) Workers’ Compensation or Worker’ Compensation without employees (this is considered minimum premium, “if any” insurance) (statutory limits) and Employers’ Liability insurance with a minimum of one million dollars (\$1,000,000);
- e) Errors & Omissions insurance including Directors & Officers and School Leaders Errors & Omissions Liability insurance with a minimum of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate (Claims Made or Occurrence Form);
- f) Crime including employee dishonesty insurance with a minimum of five hundred thousand dollars (\$500,000); and
- g) Employment Practices Liability insurance with a minimum of one million dollars (\$1,000,000) per claim/aggregate (Claims Made or Occurrence Form).
- h) Umbrella with a minimum \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000 limit.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The insurance carrier(s) must be an “A” best rating or better. The Academy may join with other public school academies to obtain

insurance if the Academy finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured with its own limits, i.e. no sharing of limits.

The Academy shall list the University Board and the University on the insurance policies as an additional insured with primary coverage on insurance coverage listed in (b), (c), (e), and (g) above. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy or of changes in insurance carrier or policy limit changes. In addition, the Academy shall provide the University President copies of all insurance certificates and endorsements required by this Contract. The Academy shall also provide to the University Charter Schools Office an entire copy of the insurance policies. The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimum may be required depending upon academic offerings and program requirements.

The Academy understands that the University's insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for authorization and oversight of the Academy. In the event that the University's insurance carrier requests additional changes in coverage identified in this Section 11.4, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University's insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.5. Transportation. The Academy Board may enter into contract with other school districts or other persons, including municipal and county governments, for the transportation of the Academy students to and from school and for field trips. In addition, the Academy Board may use funds received from state school aid payments to pay for student transportation. In the event that the Academy Board contracts for transportation services, the Academy Board shall ensure that the company providing the transportation services is properly licensed in accordance with Applicable Law, and that the company conducts criminal background and history checks on its drivers and other personnel who have direct contact with pupils in accordance with the Code.

Section 11.6. Extracurricular Activities and Interscholastic Sports. The Academy is authorized to join any organization, association, or league, which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 11.7. Legal Liabilities and Covenants Not to Sue. The Academy and Academy Board members acknowledge and agree that they have no authority to extend the faith and credit of the University or to enter into a contract that would bind the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy and Academy Board members hereby covenant not to sue the University Board, the University or any of its trustees, officers, employees, agents or representatives for any matters that arise under this



Contract or otherwise. The University does not assume any obligation with respect to any Academy Director, employee, agent, parent, guardian, or independent contractor of the Academy, and no such person shall have the right or standing to bring suit against the University Board, the University or any of its Trustees, employees, agents, or independent contractors as a result of the issuing, termination or revocation of this Contract.

Section 11.8. Lease or Deed for Proposed Single Site(s). The Academy shall provide to the designee of the University Board copies of its lease or deed for the premises in which the Academy shall operate. A copy of the Academy's lease or deed and site information shall be incorporated into the Schedules.

Section 11.9. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that all physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy and safety certificates. The Academy Board shall not conduct classes at any site until the Academy has complied with this Section 11.9. Copies of these certificates shall be incorporated into the Schedules.

Section 11.10. Deposit of Public Funds by the Academy. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) business days after receipt of the funds by the Academy.

Section 11.11. Educational Service Provider Agreements. The Academy may enter into an ESP Agreement with an ESP to contract out its administrative and/or educational functions and personnel. For the purposes of this Contract, an employee leasing agreement shall be considered an ESP Agreement, and an employee leasing company shall be considered an ESP. Prior to entering any ESP Agreement with an ESP, the Academy shall submit a copy of the final draft ESP Agreement to the University charter Schools Office in a form or manner consistent with the ESP policies of the University Charter Schools Office, which are incorporated into and be deemed part of this Contract. The Charter Schools Office may, from time to time during the term of this Contract, amend the ESP policies and the amended policies shall automatically apply to the Academy without any amendment under Article IX of this Contract. The University Charter Schools Office may disapprove the proposed ESP Agreement submitted by the Academy if the ESP Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to an ESP Agreement shall be submitted for review by the University Charter Schools Office in the same form and manner as a new ESP Agreement.

Section 11.12. Required Provisions for Educational Service Provider Agreements. Any ESP agreement entered into by the Academy must contain the following provisions:

"Indemnification of Grand Valley State University. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury,

loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the Application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement."

"Revocation or Termination of Contract. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or termination without further action of the parties."

"Compliance with Academy's Contract. The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement."

"Compliance with Section 503c. On an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement."

Section 11.13. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, being MCL 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants With Public Entities statute, Act No. 317 of the Public Acts of 1968, being MCL 15.321 to 15.330 of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed a prohibited conflict of interest for purposes of this Contract:

(a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an educational service provider or an employee leasing company that has an ESP agreement with the Academy;

(b) An individual simultaneously serving as an Academy Board member and an Academy employee;

(c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;

(d) An individual simultaneously serving as an Academy Board member and as a member of the governing board of another public school; and

(e) An individual simultaneously serving as an Academy Board member and a University employee, official, or consultant, to the University.

Section 11.14. Certain Familial Relationships Prohibited. The Academy Board shall prohibit specifically identified family relationships pursuant to applicable law and the Terms and Conditions of this contract. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

(a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:

- (i) Is employed by the Academy;
- (ii) Works at or is assigned to the Academy
- (iii) Has an ownership, officer, policy making, managerial, administrative, non-clerical or other significant role with the Academy's ESP or employee leasing company.

Section 11.15. Dual Employment Positions Prohibited. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 11.16. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign, and file the constitutional oath of office with the Charter Schools Office.

Section 11.17. Information Available to the Public and University.

(a) Information to be provided by the Academy. In accordance with Applicable Law, the Academy shall make information concerning its operation and management, including without limitation information in Schedule 6, available to the public and University in the same manner and to the same extent as is required for public schools and school districts.

(b) Information to be provided by Educational Service Providers. The agreement between the Academy and the ESP shall contain a provision requiring the ESP to make information concerning the operation and management of the Academy, including the information in Schedule 6, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 11.18. University Board Invitation to Apply to Convert Academy to School of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6e of the Code, MCL 380.551 et seq. ("Part 6e"), and the University Board determines that the Academy meets the University Board's and the Code's eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a School of Excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

## **ARTICLE XII**

### **GENERAL TERMS**

Section 12.1. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given; (i) upon actual delivery, if delivery by hand; or (ii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the respective party at the address indicated below or to any other person or address as the respective party may designate by notice delivered pursuant hereto:

If to Grand Valley State University Board of Trustees:

Charter Schools Office Director  
Grand Valley State University  
201 Front Avenue, SW., Suite 310  
Grand Rapids, Michigan 49504

If to Academy: Southwest Detroit Lighthouse Charter Academy  
Board President  
4001 S. 29<sup>th</sup> Street  
Detroit, MI 48210

Section 12.2. Severability. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of Applicable Law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. Entire Contract. This Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior application materials, contracts, representations, statements, negotiations, understandings, and undertakings, are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either party.

Section 12.6. Non-Waiver. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Indemnification. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Method of Selection Resolution or the Authorizing Resolution, legal challenges to the validity of Part 6a of the Code or actions taken by the University Board as an authorizing body under Part 6a of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

Section 12.8. Construction. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.

Section 12.9. Force Majeure. If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Section 12.10. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the ESP. Except as otherwise provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Section 12.11. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.12. Governing Law. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.13. Counterparts. This Contract may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 12.14. Term of Contract.

(a) Initial Term of Contract. Except as otherwise provided in Section 12.14 (b) set forth below, this Contract shall commence on July 1, 2013 and shall remain in full force and effect for seven (7) years until June 30, 2020, unless sooner terminated according to the terms hereof.

(b) Termination of Contract During Initial Term of Contract. Consistent with the procedures set forth in this Section 12.14(b), this Contract will terminate on June 30, 2020 if the Academy fails to satisfy all of the following conditions:

- (i) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's agreements with any Educational Service Provider. The terms and conditions of the agreements must be acceptable to the University President.
- (ii) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's real property leases, sublease or other agreements set forth in the Schedules.
- (iii) The Academy, through legal counsel, shall provide a legal opinion to the Charter Schools Office Director confirming that the Academy Board's approval and execution of any real property lease or other agreement with Educational Service Providers complies with the Contracts of Public Servants with Public Entities statute, MCL 15.321 et seq.
- (iv) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of an AHERA asbestos plan and lead based paint survey for the site or sites set forth in the Schedules.
- (v) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of a current boiler inspection/ approval for the site or sites set forth in the Schedules.
- (vi) The Academy shall provide documentation to the Charter Schools Office Director confirming that the Academy has received occupancy approval from the Michigan Department of Consumer and Industry Services' Office of Fire Safety for the site or sites set forth in the Schedules.

- (vii) The Academy shall provide documentation to the Charter Schools Office Director that it has obtained a short-term cash flow loan to cover the initial cost of operations for the initial academic year. The Academy shall comply with section 1225 of the Revised School Code and the Revised Municipal Finance Act with respect to approving and obtain such funds.
- (viii) Any additional financial information or documentation requested by the University President.
- (ix) If the Academy, for any reason, is unable to enroll students and conduct classes by October 1, 2013, then this Contract is automatically terminated without further action of the parties

The Academy shall notify the Charter Schools Office in writing following completion of the conditions set forth in this Section 12.14(b). For good cause, the Charter Schools Office Director may extend the deadlines set forth above. If the Charter Schools Office Director determines that the Academy has not satisfied the conditions set forth in this Section 12.14(b), the Charter Schools Office Director shall issue a Contract termination letter to the Academy for failing to meet certain conditions set forth in this Section 12.14(b). The issuance of the termination letter by the Charter Schools Office Director shall automatically terminate this Contract without any further action by either the University Board or the Academy Board. Upon issuance of the termination letter, the Charter Schools Office Director shall notify the Superintendent of Public Instruction and the Michigan Department of Education that the Contract has been terminated.

(c) Extended Term of Contract. If the Academy satisfies the conditions set forth above in Section 12.14(b), the Academy will be eligible for consideration of a new contract term.

Section 12.15. Survival of Provisions. The terms, provisions, and representations contained in Section 11.4, Section 11.17, Section 11.12, and Section 12.7, and any other provision of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.16. Termination of Responsibilities. Upon termination or revocation of this Contract, the University Board and its designees shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract.

Section 12.17. Disposition of Academy Assets Upon Termination or Revocation of Contract. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation and in accordance with Applicable Law.

**[INTENTIONALLY LEFT BLANK]**

As the designated representative of the Grand Valley State University Board of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

GRAND VALLEY STATE UNIVERSITY  
BOARD OF TRUSTEES

By:   
University President or his/her designee

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the terms and conditions of this Contract.

SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY

By:   
Academy Board President



**AMENDMENT TO CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY**

**BETWEEN**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY**  
**(A PUBLIC SCHOOL ACADEMY)**  
**AND**

**GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES**  
**(AUTHORIZING BODY)**

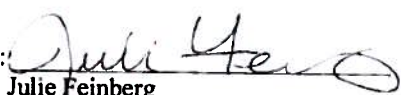
In accordance with Section 9.1 of the Terms and Conditions of the Contract ("Contract") dated July 1, 2013, issued by the GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES ("University Board") to SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY ("Academy"), the parties agree to the following:

1. The following Contract Schedules are amended:
  - a. Amend Schedule 7-6, School Calendar and School Day Schedule, by replacing the current School Day Schedule with document attached as Tab A.

The undersigned have read, understand and agree to comply with and be bound by the terms of and the conditions set forth in this Amendment to the Contract.

SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY

By:

  
Julie Feinberg

Its: Board President

Date:

2/4/14

GRAND VALLEY STATE UNIVERSITY  
BOARD OF TRUSTEES

By:

  
Timothy H. Wood, Ph.D.

Its: Authorized Designee

Date:

1/11/14

## Southwest Detroit Lighthouse Charter Academy School Day Schedule

The standard school day provides for 6.75 hours of instruction each day (33.75 hours/week). Lunch and recess will be provided to all students every day for 30 minutes between the hours of 11am and 1pm.

This schedule ensures that students receive over 1,200 hours of instruction for the school year, exceeding the 1,098 hours required by the State of Michigan.

The standard school day will be from 8:30am to 3:45pm each day. There will be exceptions to this schedule for parent teacher conferences, weekly teacher professional development days, and other early release days noted in the school calendar.

The school day will ensure that appropriate time is spent on core subjects: English Language Arts, Math, Science, and Social Studies and will also include specials such as Art, Physical Education, and Spanish class.

**SCHEDULE 1**

**METHOD OF SELECTION RESOLUTION  
AUTHORIZING RESOLUTION**



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF  
GRAND VALLEY STATE UNIVERSITY ON NOVEMBER 2, 2012:

Authorization of Southwest Detroit Lighthouse Charter Academy 6a Contract

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

1. That the application for Southwest Detroit Lighthouse Charter Academy ("Academy"), located at 4041 S. 29<sup>th</sup> Street, Detroit, MI 48210, submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose

to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.

- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other

reasons which would prohibit the Academy Board from taking action without such an appointment.

3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

7. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

8. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

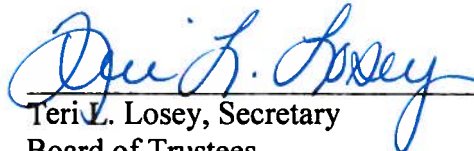
# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

12. Initial Members of the Board of Directors: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

Aaron A. Barndollar	1 year term expiring June 30, 2013
Rachele DiMeglio	2 year term expiring June 30, 2014
Julie R. Feinberg	2 year term expiring June 30, 2014
William C. Johnson	3 year term expiring June 30, 2015

13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the non-issuance of a district code number to the Academy.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 12<sup>th</sup> day of November 2012.

  
Teri L. Losey, Secretary  
Board of Trustees  
Grand Valley State University



**SCHEDULE 2**

**ARTICLES OF INCORPORATION**

***Michigan Department of Licensing and Regulatory Affairs***  
***Filing Endorsement***

***This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT***

***for***

***SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY***

***ID NUMBER: 71302L***

***received by facsimile transmission on December 11, 2012 is hereby endorsed***

***Filed on December 12, 2012 by the Administrator.***

***The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.***



***In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 12TH day of December, 2012.***

***Director***

***Bureau of Commercial Services***

BCS/CD-502 (Rev.10/08)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES			
Date Received		(FOR BUREAU USE ONLY)	
		This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	
Name Leigh H. Savage, Attorney			
Address 10 S. Main Street, Suite 401			
City	State	Zip Code	EFFECTIVE DATE:
Mt. Clemens	MI	48043	

Document will be returned to the name and address you enter above.

If left blank document will be mailed to the registered office.

--

**ARTICLES OF INCORPORATION****For use by Domestic Nonprofit Corporations**

(Please read information and instructions on the last page)

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq. and Part 6A of the Revised School Code (the "Code"), as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the undersigned corporation executes the following Articles:

**ARTICLE I**

The name of the corporation is: SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY

The authorizing body for the corporation is: Grand Valley State University ("GVSU") Board of Trustees, ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.

## ARTICLE II

The purposes for which the corporation is organized are:

1. Specifically, the corporation is organized for the purposes of operating as a public school academy in the State of Michigan pursuant to Part 6A of the Code, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.
2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

## ARTICLE III

1. The corporation is organized upon a Nonstock basis.
2.
  - a. If organized on a nonstock basis, the description and value of its real property assets are: Real Property: none
  - b. The description and value of its personal property assets are: Personal Property: none
  - c. The corporation is to be financed under the following general plan:
    - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
    - b. Federal funds.
    - c. Donations
    - d. Fees and charges permitted to be charged by public school academies.
    - e. Other funds lawfully received.
  - d. The corporation is organized on a Directorship basis.

## ARTICLE IV

1. The name of the resident agent at the registered office: JOHN L. BURKET
2. The physical and mailing address of the registered office is: 10 South Main Street, Suite 401, Mount Clemens, MI 48043.

## ARTICLE V

The names and addresses of the incorporators are as follows:

Name	Business Address
Michael Ronan	1661 Worcester Rd, Framingham, MA 01701
Anne LaTarte	1661 Worcester Rd, Framingham, MA 01701
Cheryl Bates	1661 Worcester Rd, Framingham, MA 01701

## ARTICLE VI

The corporation is a governmental entity.

## ARTICLE VII

Before execution of a contract to charter a public school academy between the Academy Board and the Board of Trustees, the method of selection, length of term, and the number of members of the Academy Board shall be approved by a resolution of the Board of Trustees as required by the Code.

The members of the Academy Board shall be selected by the following method:

1. **Method of Selection and Appointment of Academy Board Members:**

- a. **Initial Academy Board Member Nominations and Appointments:** As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. **Subsequent Academy Board Member Nominations and Appointments:** Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a

nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- c. **Exigent Appointments:** When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. **Oath /Acceptance of Office / Voting Rights:** Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. **Length of Term; Removal:** An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.  
If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.
5. **Resignations:** A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of

resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

6. **Vacancy:** An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

7. **Filling a Vacancy:** The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

9. **Quorum:** In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

10. **Manner of Acting:** The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

## ARTICLE VIII

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, board, officers or other private persons, or organization organized and operated for a profit (except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article II hereof). Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a governmental entity exempt from Federal Income Tax under Section 115 of the IRC, or comparable provisions of any successor law.

To the extent permitted by law, upon the dissolution of the corporation, the board shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation to the Board of Trustees for forwarding to the State School Aid Fund established under Article IX, Section 11 of the Constitution of the State of Michigan of 1963, as amended.

#### ARTICLE IX

The corporation and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in Section 7 of Act No. 170 of the Public Acts of 1964, being Sections 691.1407 of the Michigan Compiled Laws.

#### ARTICLE X

These Articles of Incorporation shall not be amended except by the process provided in the contract executed by the Academy Board and the Board of Trustees.

#### ARTICLE XI

The Academy Board shall have all the powers and duties permitted by law to manage the business, property and affairs of the corporation.

#### ARTICLE XII

A volunteer director is not personally liable to the corporation for monetary damages for a breach of the director's fiduciary duty. This provision shall not eliminate or limit the liability of a director for any of the following:

- (i) A breach of the director's duty of loyalty to the corporation;
- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act;
- (iv) A transaction from which the director derived an improper personal benefit;
- (v) An act or omission that is grossly negligent.

If the corporation obtains tax exempt status under section 501(c)(3) of the internal revenue code, the corporation assumes all liability to any person other than the corporation for all acts or omissions of a volunteer director occurring on or after the filing of the Articles incurred in the good faith performance of the volunteer director's duties.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Government Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.



### ARTICLE XIII

The corporation assumes the liability for all acts or omissions of a non-director volunteer, provided that:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and

The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for negligence Act, being Act No. 170, Public Acts of Michigan, 1964

### ARTICLE XIV

The officers of the Academy Board shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Academy Board may select one or more Assistants to the officers, and may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation.

### ARTICLE XV

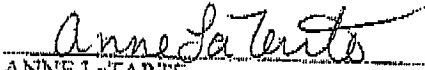
The Articles of Incorporation shall become effective upon filing. However, the corporation shall not carry out the purposes set forth in Article II unless/or until the Board of Trustees issues to the Academy Board a contract to operate as a public school academy, and the contract is executed by both the Academy Board and the Board of Trustees.

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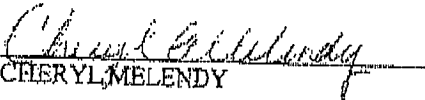
We, the incorporators sign our names this 11th day of December, 2012.



MICHAEL RONAN



ANNE LATARTE



CHERYL MELENDY

## **SCHEDULE 3**

### **BYLAWS**

**BYLAWS**  
**OF**  
**SOUTHWEST DETROIT LIGHTHOUSE CHARTER SCHOOL ACADEMY**

**ARTICLE I**

**Southwest Detroit Lighthouse Charter School Academy**

This organization shall be called Southwest Detroit Lighthouse Charter Academy (The “Academy” of the “corporation”).

**ARTICLE II**

**FORM OF ACADEMY**

The Academy is organized as a non-profit, non-stock, directorship corporation.

**ARTICLE III**

**OFFICES**

Section 1.      Principle Office.      The principle office of the Academy shall be located in the State of Michigan.

Section 2.      Registered Office.      The registered office of the Academy shall be 10 Main St. Suite 401, Mt. Clemens, MI 48043. It must be located in the state of Michigan, and be the business office of the registered agent, as required by the Michigan Nonprofit Corporation Act.

**ARTICLE IV BOARD OF**

**DIRECTORS**

Section 1.      General Powers.      The business, property and affairs of the Academy shall be managed by the Academy Board of Directors (“Academy Board”). The Academy Board may exercise any and all of the powers granted to it under the Michigan Nonprofit Corporation Act or pursuant to Part 6A of the Revised School code (“Code”). The Academy Board may delegate said powers to the officers and committees of the Academy Board as it deems appropriate or necessary, as long as such delegation is consistent with the Articles, these Bylaws, the Contract and Applicable Law.

Section 2.        Method of Selection and Appointment.        Nomination and appointment to the Academy Board shall be handled in the following manner:

1.    Method of Selection and Appointment of Academy Board Members:

- a.    Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Grand Valley State University Board of Trustees (“Board of Trustees”), he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for the appointment, the nominees must have completed the required board member Questionnaire prescribed by the University Charter Schools office; and (ii) the criminal Background Check Report prescribed by the University Charter Schools Office.
- b.    Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The director may or may not recommend a nominee submitted by the Academy Board, the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c.    Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, determines that an Academy Board member’s service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

2. Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. Length of Term; Removal: An appointed Academy Board member is an “at will” board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member’s term.

If the Board of Trustees determines that an Academy Board member’s service in office is no longer required, then the Board of Trustees may remove an Academy Board member with or without cause and shall specify the date when the Academy Board member’s service ends. An Academy Board member may be removed from the office by a two0thirds (2/3) vote of the Academy’s Board for cause.
5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
  - a. Resigns
  - b. Dies
  - c. Is removed from Office
  - d. Is convicted of a felony

- e. Ceases to be qualified
  - f. Is incapacitated
7. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the “Subsequent Appointments” and “Exigent Appointments” procedures in this resolution.
  8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.
  9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A “quorum” shall be defined as follows:
 

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)
  10. Manner of Acting: The Academy Board shall be considered to have “acted,” when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

Section 3. Compensation. By resolution of the Academy Board, Directors may be paid their expenses, if any, of attendance at each meeting of the Academy Board, subject to the statues regarding Contracts of Public Servants with Public Entities, Act No. 317 of the Public Standards of Conduct for Public Officers and Employees, Act No. 196 of the Public Acts of 1973, being Sections 15.341 to 15.348 of the Michigan Compiled Laws, and the statue concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws.

## ARTICLE V

### MEETINGS

Section 1. Regular Meetings. The Academy Board shall hold a regular meeting during the month of June each year. The meeting shall be held at such time and place as the Academy Board of

Directors shall from time to time determine. The Academy Board may also provide, by resolution, the time and place, within the state of Michigan, for the holding of additional regular meetings. The Academy shall provide notice of all regular meetings as required by the Open Meetings Act.

Section 2.      Special Meetings. Special meetings of the Academy Board may be called by or at the request of the President or any Academy Board Director. The person or persons authorized to call special meetings of the Academy Board may fix the place within the state of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.

Section 3.      Notice; Waiver. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally or mailed or sent by facsimile to each Director at the Director's business address. Any Director may waive notice of any meeting by written statement, or telecopy sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4.      Open Meetings Act. All meetings of the Academy Board, shall at all times be in compliance with the Open Meetings Act.

Section 5.      Presumption of Assent. A director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matters is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. This right to dissent shall not apply to a Director who voted in favor of such action.

## **ARTICLE VI**

### **COMMITTEES**

Section 1.      Committees. The Academy Board, by resolution, may designate one or more committees, each committee to consist of one or more Directors selected by the Academy Board. As provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Academy Board, except (i) filling of the vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of



its activities and shall make such reports the Academy Board of its activities as the Academy Board may request.

## **ARTICLE VII OFFICERS**

### **OF THE BOARD**

Section 1.     Number.     The officers of the Academy shall be a President, Vice-President, Secretary, Treasurer, and such Assistant officers as may be selected by the Academy Board.

Section 2.     Election and Term of Office.     The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the Academy Board shall elect the officers annually as terms expire at the annual meeting of the Academy Board. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officers resigns or is removed in the manner provided in Article IV, Section 2.

Section 3.     Removal.     If the Grand Valley State University Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

Section 4.     Vacancies.     A vacancy in any office shall be filled in accordance with Article IV, Section 2.

Section 5.     President.     The President of the Academy shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The president shall be an ex-officio member of all standing committees and may be designated Chairperson of those committees by the Academy Board. The President shall, in general, perform all duties incident to the office of President of the Board as may be prescribed by the Board from time to time.

Section 6.     Vice-President.     The Vice-President of the Academy shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or the Academy Board.

Section 7.     Secretary.     The Secretary of the Academy shall be a member of the Academy Board. The Secretary shall perform, or cause to be performed, the following duties: (a) keep the minutes of the Academy Board meetings in one or more books provided that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal

of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or by the Academy Board.

Section 8.     Treasurer.   The Treasurer of the Academy shall be a member of the Academy Board. The Treasurer shall perform, or cause to be performed, the following duties: (a) keep charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.

Section 9.     Assistants and Acting Officers.   The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Directors shall have the power to appoint any person to perform the duties of an officer whenever for any reason it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may by resolution otherwise determine.

Section 10.    Salaries.     Officers shall not receive a salary unless the salary has been specifically approved by the Academy Board, subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws. Officers of the corporation who are Directors of the corporation may not be compensated for their services. They may, however, receive traveling and other expenses.

Section 11.    Filling More Than One Office.   Subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws, any two offices of the corporation except those of President and Vice-President may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

## **ARTICLE VIII**

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS**

Section 1.     Contracts.   The Academy Board may authorize any officer or officers, agent or agents, to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by

instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract into, by or on behalf of the Academy Board, shall in any way bind the University or impose any liability on the University, its trustees, officers, employees or agents.

Section 2.     Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan or advance to, or overdraft of funds by an officer or member of the Academy Board otherwise than in the ordinary and usual course of the business of the corporation, and on the ordinary and usual course of the business or security, shall be made or permitted. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Grand Valley State University or impose any liability on Grand Valley State University, its trustees, officers, employees, or agents.

Section 3.     Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Academy Board.

Section 4.     Deposits. All funds of the corporation not otherwise employed shall be deposited within three (3) business days after the receipt of the funds by the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5.     Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Academy Board, any shares or other securities issued by another other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of

any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power, and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

Section 6.     Contracts Between Corporation and Related Persons. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act

No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirement set forth in Section 3 of the statute.

## **ARTICLE IX**

### **INDEMNIFICATION**

Each person who is or was a member of the Academy Board, or a trustee, director, officer or member of a committee of the Academy and each person who serves or has served at the request of the Academy as a trustee, director, officer, partner, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify such person against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

## **ARTICLE X**

### **FISCAL YEAR, BUDGET AND UNIFORM BUDGETING AND ACCOUNTING**

Section 1. Fiscal Year, Budget and Uniform Budgeting and Accounting. The fiscal year of the corporation shall begin on the first day of July in each year. The Board of Directors, subject to the oversight responsibilities of the University Board, shall have exclusive control of the budget. The board shall prepare and publish an annual budget in accordance with the Uniform Budgeting and Accounting Act, being Act 2 of the public laws of Michigan of 1968, as amended.

## **ARTICLE XI**

### **SEAL**

The Academy Board may provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the State of Michigan and the words "Corporate Seal" and "Public School Academy."

## **ARTICLE XII**

### **AMENDMENTS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining the affirmative vote of a majority if the Academy Board at any regular or special meeting of the Academy

Board, if a notice setting forth the terms of the proposal have been given in accordance with the notice setting forth the terms of the proposal have been given in accordance with the notice requirements for the special meetings. Upon arrival, the Academy Board shall forward the amendment to the University Charter Schools Office. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt of the amendment by the University Charter Schools Office. The Academy Board is encouraged to submit proposed Bylaw changes to the Charter Schools Office, for review and comment, prior to adoption. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with applicable law or the Contract, it shall notify the Academy Board in writing and the Academy Board shall remedy the identified provision to be in concert with applicable law and the Contract.

#### CERTIFICATION

The Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the 11 day of

December, 2012

Rachely Disher  
Secretary

**SCHEDULE 4**

**FISCAL AGENT AGREEMENT**

## **SCHEDULE 4**

### **FISCAL AGENT AGREEMENT**

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Southwest Detroit Lighthouse Charter Academy ("Academy"), a public school academy.

#### **Preliminary Recitals**

WHEREAS, pursuant to the Code and the Contract, the University Board, as authorizing body, is the fiscal agent for the Academy, and

WHEREAS, the University Board is required by law to forward any State School Aid Payments received from the State of Michigan ("State") on behalf of the Academy to the Academy,

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

### **ARTICLE I**

#### **DEFINITIONS AND INTERPRETATIONS**

Section 1.01. Definitions. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy for the receipt of State School Aid Payments at a bank, savings and loan association, or credit union which has not been deemed ineligible to be a depository of surplus funds under Section 6 of Act No. 105 of the Public Acts of 1855, being Section 21.146 of the Michigan Compiled Laws.

"Agreement" means this Fiscal Agent Agreement.

"Fiscal Agent" means the University Board or an officer or employee of Grand Valley State University as designated by the University Board.

"Other Funds" means any other public or private funds which the Academy receives and for which the University Board voluntarily agrees to receive and transfer to the Academy.

"State School Aid Payment" means any payment of money the Academy receives from the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963 or under the State School Aid Act of 1979, as amended.

"State" means the State of Michigan.

"State Treasurer" means the office responsible for issuing funds to urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

## ARTICLE II

### FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within three (3) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. Limitation of Duties. The Fiscal Agent has no responsibilities or duties to verify the Academy's pupil membership count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form



and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

### **ARTICLE III**

#### **STATE DUTIES**

Section 3.01 Eligibility for State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the eligibility of the Academy to receive State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the amount of State School Aid Payments, if any, the Academy shall be entitled to receive.

Section 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

### **ARTICLE IV**

#### **ACADEMY DUTIES**

Section 4.01. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.

Section 4.02. Expenditure of Funds. The Academy may expend funds that it receives from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 4.03. Mid-Year Transfers. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979 or applicable State Board rules.

Section 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. Deposit of Academy Funds. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

## ARTICLE V

### RECORDS AND REPORTS

Section 5.01. Records. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State.

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, and annually thereafter, a written report dated as of August 31 summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the University Board receives under this Agreement.

## ARTICLE VI

### CONCERNING THE FISCAL AGENT

Section 6.01. Representations. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.

Section 6.02. Limitation of Liability. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

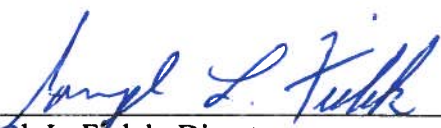
The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Fiscal Agent be responsible for the consequences of any error of judgment; and the Fiscal Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its gross negligence or willful default.

The Fiscal Agent shall not be liable for any deficiency in the State School Aid Payments received from the State Treasurer to which the Academy was properly entitled. The Fiscal Agent shall not be liable for any State School Aid overpayments made by the State Treasurer to the Academy for which the State subsequently seeks reimbursement.

Acknowledgment of Receipt

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the foregoing Fiscal Agent Agreement that is part of the Contract issued by the University Board to the Academy.

BY: \_\_\_\_\_

  
Joseph L. Fielek, Director  
Bureau of State and Authority Finance  
Michigan Department of Treasury

Date: Nov. 19, 2012

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**SCHEDULE 5**

**MASTER CALENDAR OF REPORTING REQUIREMENTS**

**Public School Academy / School of Excellence  
Master Calendar of Reporting Requirements  
July 1, 2013 – June 30, 2014**

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
July 1	Board Adopted 2013-2014 School Calendar/School Day Schedule.	CSO
July 1	Board Adopted Annual Operating Budget for the General Fund and School Service Fund for 2013-2014.	CSO
July 1	Copy of Notice of Public Hearing for Annual Operating Budget for 2013-2014.	CSO
July 1	Copy of Parent Satisfaction Survey and Results from 2012-2013, if applicable.	CSO
July 3	Anti-Bullying Policy, in accordance with Matt's Safe School Law (new schools)	CSO
July 25	DS-4168 Report of Days and Clock Hours of Pupil Instruction for 2012-2013 academic year, if applicable (See MDE website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> , for MDE due date and form).	CSO
August 1	Annual Organizational Meeting Minutes for 2013-2014.	CSO
August 1	Board Resolution appointing Chief Administrative Officer for 2013-2014.	CSO
August 1	Board Resolution appointing Freedom of Information Act Coordinator for 2013-2014.	CSO
August 1	Board Designated Legal Counsel for 2013-2014.	CSO
August 1	Board adopted Annual Calendar of Regularly Scheduled Meetings for 2013-2014.	CSO
August 20	Annual Education Report 2012-2013 academic year to be submitted and presented at a public meeting	CSO
August 30	4 <sup>th</sup> Quarter Financial Statements – quarter ending 06/30.	CSO
September 4	Organizational Chart for 2013-2014.	CSO
September 4	Board approved Student Handbook 2013-2014.	CSO
September 4	Board approved Employee Handbook 2013-2014.	CSO
September 4	Copy of School Improvement Plan covering 2013-2013 academic year.	CSO
October 1	Completed PSA Insurance Questionnaires. Required forms available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a>	CSO
October 1	Annual Nonprofit Corporation Information Update for 2013.	CSO
October (TBD)	Unaudited Count Day Submission	CSO
October 11	Audited Financial Statements for fiscal year ending June 30, 2013. (See MDE Website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> , for MDE due date.	CSO
October 11	Management Letter (comments and recommendations from independent financial auditor) for fiscal year ending June 30, 2013, if issued. If a management letter is not issued, a letter from the Academy stating a management letter was not issued is required to be submitted.	CSO
October 12	Annual A-133 Single Audit for year ending June 30, 2013 is required if over \$500K in federal funds have been expended. If a single audit is	CSO

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
	not necessary, a letter from the Academy stating as such is required to be submitted.	
October 11	DS-4898 PSA Preliminary Pupil Membership Count for September 2013 Enrollment and Attendance for 1 <sup>st</sup> & 2 <sup>nd</sup> Year PSAs only. (See MDE website, <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> for MDE due date).	CSO
October 30	1 <sup>st</sup> Quarter Financial Statements – quarter ending 09/30.	CSO
December 2	Academy's Technology Plan covering 2013-2014 or annual updates thereto.	CSO
January 6	Modifications to ISD's Plan for the Delivery of Special Education Services covering 2013-14 signed by a representative of the Academy.	CSO
January 31	2 <sup>nd</sup> Quarter Financial Statements – quarter ending 12/31.	CSO
January 31	Michigan Highly Qualified Teacher Verification Report. Required Form Available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a>	CSO
March (TBD)	Winter Count Day Submission.	CSO
April 18	DS-4168-B District Report of Planned Number of Days and Clock Hours of Pupil Instruction for 2013-2014 (See MDE website <a href="http://www.michigan.gov/mde">www.michigan.gov/mde</a> for MDE due date).	CSO
April 25	3 <sup>rd</sup> Quarter Financial Statements – quarter ending 03/31.	CSO
May 14	Notice of Open Enrollment & Lottery Process or Open Enrollment & Lottery Process Board Policy for 2014-2015.	CSO
June 2	Certificate of Boiler Inspection covering years 2013-2014	CSO
June 27	Board Approved Amended Budget for 2013-2014 fiscal year (or statement that budget has been reviewed and no amendment was needed).	CSO
June 27	2013-2014 Log of emergency drills, including date, time and results. Sample form available at <a href="http://www.gvsu.edu/cso">www.gvsu.edu/cso</a>	CSO
June 27	Board adopted Letter of Engagement for year ending June 30, 2014 independent financial audit.	CSO
June 27	Food service license expiring 04/30/2015.	CSO

## Ongoing Reporting Requirements July 1, 2013 – June 30, 2014

*The following documents do not have a set calendar date; however, they require submission within a certain number of days from board action or other occurrence.*

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
Date notice is posted	Academy Board Meeting Record of Postings – cancellations, changes, special meetings, emergency etc. Must include time and date of actual posting.	CSO
14 business days after Board meeting	Draft Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
14 business days after Board approval	Approved Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
30 business days after board approval	Board Adopted Annual Operating Budget for 2011-2012 including Salary/Compensation Transparency Reporting to be available on school website per the State School Aid Act as amended	No submission needed.
14 business days after Board approval	Oath of Office and written acceptance for each Board Member.	CSO
10 business days after Board approval	Board adopted <i>Amended</i> Budget and General Appropriations Resolution.	CSO
10 days of receipt	Correspondence received from the Michigan Department /State Board of Education requiring a formal response.	CSO
10 days of receipt	Correspondence received from the Health Department requiring a formal response.	CSO
10 days of receipt	Written notice of litigation or formal proceedings involving the Academy.	CSO
30 days prior to board execution	Board proposed draft Educational Management Company Agreements or Amendments thereto.	CSO
5 business days of receipt	Request and Responses to Freedom of Information Requests.	CSO

## Original/Subsequent Board Policy Reporting Requirements July 1, 2013 – June 30, 2014

*The following documents do not have a set calendar date; however, they require an original submission and subsequent submission if Board action is taken making amendments/changes.*

REPORT DESCRIPTION	SUBMIT TO:
Articles of Incorporation. Must have GVSU Board approval before modifying.	CSO
Board of Director Bylaws.	CSO
Educational Service Provider Agreements/Amendments	CSO
Academy's Educational Goals.	CSO
Office of Fire Safety (OFS-40) – original occupancy permit and permits for renovations/additions, etc.	CSO
Lease, Deed of Premises or Rental Agreement and subsequent amendments (includes modular units).	CSO
Curriculum including any additions/deletions.	CSO
Asbestos Hazardous Emergency Response Act (AHERA) Management Plan. Visit <a href="http://www.michigan.gov/asbestos">www.michigan.gov/asbestos</a> for Michigan's model management plan. A copy of the "acceptance" letter sent by MIOSHA is also required.	CSO
Communicable Disease Curriculum (including minutes of board approval).	CSO
Job Descriptions for all employee groups	CSO
REQUIRED BOARD POLICIES	
<b>Board adopted Purchasing Policy</b> (date of approval). Reference: MCL 380.1267, MCL 380.1274	CSO
<b>Use of Medications Policy</b> (date of approval). Reference: MCL 380.1178, 380.1178a, 380.1179	CSO
<b>Harassment of Staff or Applicant Policy</b> (date of approval). <b>Harassment of Students Policy</b> (date of approval) Reference: MCL 380.1300a	CSO
<b>Search and Seizure Policy</b> (date of approval). Reference: MCL 380.1306	CSO
<b>Emergency Removal, Suspension and Expulsion of Students Policy</b> (date of approval). Reference: MCL 380.1309; MCL 380.1312(8)&(9); MCL 37.1402	CSO
<b>Parent/Guardian Review of Instructional Materials &amp; Observation of Instructional Activity Policy</b> Reference: MCL 380.1137	CSO
<b>Board Member Reimbursement of Expenses Policy</b> (date of approval). Reference: MCL 380.1254; MCL 388.1764b	CSO
<b>Equal Access for Non-School Sponsored Student Clubs and Activities Policy</b> (date of approval). Reference: MCL 380.1299	CSO
<b>Electronic or Wireless Communication Devices Policy</b> (date of approval).	CSO
<b>Preparedness for Toxic Hazard and Asbestos Hazard Policy</b> (date of approval). Reference: MCL 324.8316, 380.1256	CSO



<b>Nondiscrimination and Access to Equal Educational Opportunity Policy</b> (date of approval) Including, but not limited to, Michigan Constitution, Article I, §26, Elliott-Larsen Civil Rights Act, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.	CSO
<b>Academy Deposit Policy</b> (date of approval). PA 105 of 1855, being MCL 21.146, Section 11.10 of the Charter Contract	CSO
<b>Parental Involvement Policy</b> (date of approval). Reference: MCL 380.1294	CSO
<b>Wellness Policy</b> (date of approval). Reference: 42 USC §§ 1751, 1758, 1766; 42 USC § 1773	CSO

## Calendar of Additional Reporting Requirements and Critical Dates July 1, 2013 – June 30, 2014

*The following reports Academies must submit to the local ISD, MDE, CEPI and other organizations throughout the year.*

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
TBD	Student Count Day for State Aid F.T.E.	No submission required.
September	SE-4096 Special Education Actual Cost Report (Contact ISD for due date).	ISD
October	Eye Protection Certificate (#4527 Certification of Eye Protective Devices Electronic Grant System [MEGS] if applicable.	CEPI
October	Certification of Constitutionally Protected Prayer	MDE
October	SE-4094 Transportation Expenditure Report (Contact ISD for due date).	ISD
October 1 – October 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission needed.
Oct/Nov	School Infrastructure Database (SID); School-Wide Title I Participation	CEPI
Oct/Nov	Deadline for MEIS/Single Record Student Database (“SRSD”) electronic file (Contact the local ISD for due date.)	CEPI
November	Deadline for Immunization Records Report – IP100. (Contact Health Dept. for due date).	Local Health Dept.
November 14	Deadline for electronic submission to the Financial Information Database (FID, formerly known as the Form B). State aid will be withheld if the submission is not successful.	CEPI
Nov/Dec	Special Education Count on MI-CIS. Special education data must be current and updated in the Michigan Compliance and Information System (MI-CIS). This information is used to determine funding for next year (Contact local ISD for due date).	ISD
December 1 - December 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
Nov/Dec	Registry of Educational Personnel (REP) Submission	CEPI
December 30	Municipal Finance Qualifying Statement, if applicable (online submission).	MI Dept of Treasury
Feb 1	Deadline for Immunization Record Report – IP100 (Contact Health Dept. for due date). A financial penalty of 5% of a school’s state aid allocation can be assessed if the immunization rate is not at 90% or above.	Local Health Dept.
TBD	Supplemental Student Count for State Aid F.T.E.	No submission required.
March	FS-4731-C – Count of Membership Pupils eligible for free/reduced breakfast, lunch or milk (official date TBD).	MDE

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
March	MEIS/Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
May 1 – May 31 (as scheduled)	Teacher Certification/ Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
June	MEIS/ Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
June	Registry of Educational Personnel (REP)	CEPI
June	School Infrastructure Database (SID)	CEPI

**SCHEDULE 6**

**INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL  
MANAGEMENT COMPANY**

## **SCHEDULE 6**

### **INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY**

A. The following described categories of information are specifically included within those to be made available to the public and the University Charter Schools Office by the Academy in accordance with Section 11.17(a). Information to be Provided by the Academy, of the Terms and Conditions:

1. Copy of the Contract
2. Copies of the executed Constitutional Oath of public office form for each serving Director
3. List of currently serving Directors with name, address, and term of office
4. Copy of the Academy Board 's meeting calendar
5. Copy of public notice for all Academy Board meetings
6. Copy of Academy Board meeting agendas
7. Copy of Academy Board meeting minutes
8. Copy of Academy Board approved budget and amendments to the budget
9. List of bills paid for amounts of \$10,000.00 or more as submitted to the Academy Board
10. Copy of the quarterly financial reports submitted to the University Charter Schools Office
11. Copy of curriculum and other educational materials given to the University Charter Schools Office
12. Copy of School improvement plan (if required)
13. Copies of facility leases, mortgages, modular leases and/or deeds
14. Copies of equipment leases
15. Proof of ownership for Academy owned vehicles and portable buildings
16. Copy of Academy Board approved management contract with Educational Service Provider
17. Copy of Academy Board approved services contract(s)
18. Office of Fire Safety certificate of occupancy for all Academy facilities
19. MDE letter of continuous use (if required)
20. Local County Health Department food service permit (if required)

21. Asbestos inspection report and asbestos management plan (if required)
22. Boiler inspection certificate and lead based paint survey (if required)
23. Phase 1 environmental report (if required)
24. List of current Academy teachers and school administrators with their individual salaries as submitted to the Registry of Educational Personnel
25. Copies of administrator and teacher certificates or permits for all current administrative and teaching staff
26. Evidence of fingerprinting, criminal back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
27. Academy Board approved policies
28. Copy of the annual financial audit and any management letters issued to the Academy Board as part of the audit
29. Proof of insurance as required by the Contract
30. Any other information specifically required under Public Act 277 of 2011

B. The following information is specifically included within the types of information available to the Academy by the Educational Management Organization (if any) in accordance with Section 11.17(b). Information to be provided by Educational Management Company, of the Terms and Conditions:

1. Any information needed by the Academy in order to comply with its obligations to disclose the information listed under (a) above.



**DEVELOPMENT, ACADEMIC AND BUSINESS SERVICES**

**AGREEMENT**

**BY AND BETWEEN**

**LIGHTHOUSE ACADEMIES, INC.**

**AN EDUCATION SERVICE PROVIDER**

**AND**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY**

**A MICHIGAN PUBLIC SCHOOL ACADEMY**

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**DEVELOPMENT, ACADEMIC AND BUSINESS SERVICES AGREEMENT**

**BY AND BETWEEN**

**LIGHTHOUSE ACADEMIES, INC.**

**AN EDUCATION SERVICE PROVIDER**

**AND**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY**

**A Michigan Public School Academy**

This Michigan Public School Academy ("Academy") Development, Academic and Business Services Agreement (the "Agreement") is made and entered into as of \_\_\_\_ \_\_, 2012 (the "Effective Date") by and between Lighthouse Academies, Inc., a Delaware not for profit corporation ("Lighthouse Academies") an Education Service Provider ("ESP") and Southwest Detroit Lighthouse Charter Academy, Inc. a Michigan nonprofit corporation ("SWDLCA"). Lighthouse Academies and SWDLCA are sometimes referred to individually as a "Party" and collectively the "Parties" in this Agreement.

**RECITALS**

**WHEREAS**, Lighthouse Academies is well established and recognized for its expertise in developing, managing and supporting the operation of the Academy in the United States; and

**WHEREAS**, SWDLCA has been formed to organize, establish and operate one or more Academies as defined by Public Act 451 of 1976 as amended and subject to any amendments and corresponding provisions of any future law of the State of Michigan related to the Academy; and

**WHEREAS**, SWDLCA will apply to Grand Valley State University for a Charter Contract to operate one or more Academies in Michigan; and

**WHEREAS**, Lighthouse Academies is willing and able to provide development services to assist SWDLCA in establishing an Academy consisting of consulting services including but not limited to the topics of: securing a Charter Contract from Grand Valley University; design of all facets of Academy operations; assistance with development of financial resources and preparation of an application for submission to Grand Valley State University for approval of the charter; and

**WHEREAS**, Lighthouse Academies is willing and able to provide the academic and business services required for the day to day operations of the Academy if and when SWDLCA secures a Charter Contract to operate an Academy, adequate funding and a Academy; and

**WHEREAS**, the Parties desire to create relationship through which they will work together to establish and operate one or more excellent Michigan Academies:

**NOW, THEREFORE**, for the mutual covenants and undertakings and other good and valuable consideration set forth in this Agreement, the sufficiency of which the Parties acknowledge, and intending to be legally bound, Lighthouse Academies and SWDLCA agree as follows:

**1. RECITALS ARE MATERIAL AND INCORPORATED IN AGREEMENT**

All of the Recitals above are material to, and incorporated in, this Agreement.

**2. DEFINITIONS**

As used in this Agreement, the words and phrases enumerated 2.1 through 2.36 are defined as follows:

**2.1 Academic and Business Services**

means all academic and business management services required to operate SWDLCA, a Michigan Public Academy including provision and use of the Lighthouse Academies Education Program, administration of the Academy's business and human resource affairs, budget development, recruitment, selection, supervision, management and employment of the Principal, teachers and all Academy Staff, compliance with applicable laws including but not limited to ADA, FMLA, FERPA and the Equal Employment Opportunity Act, design and implementation of all Academy policies and procedures, Facility maintenance and improvement, and selection and procurement of equipment, supplies, instructional materials and textbooks.

**2.2 Academy Operations Manual**

means a document created by Lighthouse Academies setting forth all standards and procedures with which Lighthouse Academies will comply in the operation of the Academy.

**2.3 Academy Personnel Handbook**

means a document created by Lighthouse Academies compliant with applicable law setting forth the employment policies and procedures applicable to all Academy Staff.

**2.4 Academy Student Handbook**

means a document created by Lighthouse Academies compliant with applicable law setting forth the Academy's policies and procedures applicable to Students.

**2.5 Annual Audit**

means an annual audit of the Academy conducted by an independent certified public accountant in compliance with applicable State and Federal laws, regulations and generally accepted accounting principles.

**2.6 Annual Budget**

means the annual budget of the Academy.

**2.7 Applicable Revenues**

means all revenues received by SWDLCA to operate the Academy except that Applicable Revenues shall not include food service revenues or restricted

donations unless the donor agrees in writing that a donation shall be included in Applicable Revenues.

**2.8 Charter Contract**

means one or more Charter Contract(s) between SWDLCA and Grand Valley State University that SWDLCA shall seek to obtain in order to organize and operate one or more Academies as defined by Public Act 451 of 1976 as amended and subject to any amendments and corresponding provisions of any future laws of the State of Michigan in effect during the Term of this Agreement. The Charter Contract, when and if obtained, shall be attached to and incorporated in this Agreement.

**2.9 Public Academy Law**

means the law of Michigan governing Public School Academies.

**2.10 Chief Administrative Officer**

means a member of the Non-Instructional Staff, or other person designated, who shall be responsible for managing the financial affairs of the Academy.

**2.11 Confidential Information**

means information developed, designed and/ or owned by a Party, not generally known or publicly available that the Party treats or maintains as confidential and not to be disclosed for legitimate professional or business purposes and confidential information the Party has received from a third party. Confidential Information shall not include any information that is available in the public domain.

**2.12 Development Fee**

means the fee to be paid by Southwest Detroit Lighthouse to Lighthouse Academies in consideration for the Development Services performed by Lighthouse Academies during the Term of this Agreement.

**2.13 Development Services**

means the consulting and advisory services performed by Lighthouse Academies to assist SWDLCA in obtaining a Charter Contract, and opening an Academy.

**2.14 Education Program**

means the academic curriculum, methods, policies and procedures including, but not limited to Proprietary Materials and Information used to operate the Academy that shall be provided by Lighthouse Academies.

**2.15 Facility**

means real property including land, a building or buildings and improvements suitable for use as an Academy that complies with all applicable building codes, zoning ordinances, laws and regulations applicable to a Facility that can accommodate:

- i. the Minimum Opening Enrollment during the initial Academy Year; and
- ii. the Minimum Enrollment Level for four (4) Academy Years following the initial Academy Year.

**2.16 Facility Contract**

means any and all documents required to secure use of a Facility for the Academy including but not limited to a lease or purchase contract for real

property and contracts for work required to prepare the Facility for occupancy and use by the Academy.

**2.17 Instructional Staff**

means employees of Lighthouse Academies who teach or assist in the teaching of students at the Academy.

**2.18 Material Adverse Change**

means

- i. a reduction of more than 5 percent in the available combined Federal and State funding for the Academy on a per pupil basis in comparison to the funding that is available for the fiscal year in which the effective date falls;
- ii. a reduction of more than 5 percent in the available combined Federal and State funding for the Academy on a per pupil basis in comparison to the funding that is available during any subsequent fiscal year;
- iii. the enactment, repeal, promulgation or withdrawal of any Federal, State, or local law, regulation, or court or administrative decision or order finding that this Agreement or the operation of the Academy in conformity with this Agreement or SWDLCA's Charter Contract Academy, or obligations under the Federal or State constitutions, statutes, laws, rules or regulations, or any contract or agreement,
- iv. failure to achieve Minimum Enrollment Levels set forth herein;
- v. failure to secure a suitable Facility for the Academy in a timely manner;
- vi. revocation of the Charter Contract by the Grand Valley University;
- vii. permanent loss of the Facility; or
- viii. damage to the Facility by reason of fire, flood or other act of God prevents provision of educational services to the Students required by law despite good faith efforts of the Parties to provide such services and/or secure the timely replacement of the damaged Facility by a temporary or permanent replacement Facility.

**2.19 Minimum Enrollment Level**

is the level set forth for each Academy Year in Section 5.17 of this Agreement. The Minimum Enrollment Level shall be the student enrollment on the first day of academic classes during each Academy Year during the Term of this Agreement.

**2.20 Non-Instructional Staff**

means employees of Lighthouse Academies who perform work at or for the Academy that is necessary to operate the Academy but who do not teach or assist in the teaching of Students.

**2.21 Opening Date**

means the first day on which Students are present at the Academy for academic instruction.

**2.22 Principal**

means the person in charge of the day-to-day operation of the Academy.



**2.23 Proprietary Materials and Information**

means materials and information developed, designed and/ or owned by a Party that are unique and used by the Party in the performance of its work, provision of its services, management of its affairs, design and or production of its products and services or for other good and valuable purposes.

**2.24 Regional Vice President**

means an employee of Lighthouse Academies who is a corporate representative charged with specific executive responsibility for day to day management of the affairs of Lighthouse Academies in the Target Area including oversight of all aspects of the operation of the Academy and supervision of the Principal.

**2.25 Reimbursables**

means any cost or expense incurred or expended by Lighthouse Academies in connection with organizing, opening, marketing, supporting, operating, or closing the Academy. Such expenses include those incurred performing Development Services prior to approval of the Charter, allocated in the Annual Budget, otherwise approved by Lighthouse St Louis or expended in closing the Academy should such action become necessary. Reimbursables shall include but not be limited to postage, printing, payroll processing, costs of fingerprinting and background checks of staff and others in contact with the students, third party consultants, marketing public relations and publishing costs, supplies, travel, legal and accounting fees. Reimbursables in excess of an approved budget must be reported to SWDLCA and included in a budget amendment approved by SWDLCA which approval shall not be unreasonably withheld and which approval may occur subsequent to an expenditure for a Reimbursable that was determined in the judgment of Lighthouse Academies necessary or desirable to properly and effectively operate the Academy.

**2.26 Service Fee**

means the fee to be paid by SWDLCA to Lighthouse Academies in consideration for the Academic and Business Services performed by Lighthouse Academies in operating the Academy during the Term of this Agreement.

**2.27 Academy**

means one or more Michigan Public School Academies that SWDLCA is authorized to operate by Charter Contract during the Term of this Agreement.

**2.28 Academy Design**

means the Education Program and the physical configuration of the Facility required to implement the Education Program.

**2.29 Academy Staff**

means the employees of Lighthouse Academies at the Academy including the Principal, Instructional Staff and Non-Instructional Staff.

**2.30 Academy Year**

means the period of time of approximately 190 days more or less during which Students attend Academy and shall generally begin on or about August 15 of a calendar year and conclude on or about June 15 of the following calendar year.

**2.31 Grand Valley State University**

means an institution authorized under **Public Act 451 of 1976, as amended**, to issue a Charter Contract under Michigan statute that is in effect during the Term of this Agreement.

**2.32 State**

means Michigan.

**2.33 Student**

means a person of Academy age who is enrolled to receive instruction at the Academy.

**2.34 Target Area**

means the City of Detroit, Michigan on the Effective Date of this Agreement.

**2.35 Term**

means the period of time during which this Agreement is effective as defined and subject to the provisions of Section 11 of this Agreement.

**3. REPRESENTATIONS AND WARRANTIES**

**3.1 Representations and Warranties by Lighthouse Academies**

All representations and warranties made by Lighthouse Academies in this Section are relied on by SWDLCA and are material provisions of this Agreement. Lighthouse Academies represents and warrants as follows:

**3.1.1 Organization**

Lighthouse Academies is a non-stock, not for profit corporation duly organized under the laws of the State of Delaware, with the purpose and legal ability to contract to provide educational management services. Lighthouse Academies shall notify SWDLCA of any change in its corporate status, which change shall not affect this Agreement so long as Lighthouse Academies remains an entity authorized by law to be a party to this Agreement and perform its obligations hereunder.

**3.1.2 Authority**

Lighthouse Academies has all requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to otherwise perform the actions contemplated and specified in this Agreement. The person executing this Agreement on behalf of Lighthouse Academies is an officer of Lighthouse Academies and duly authorized by corporate resolution to execute the Agreement.

**3.1.3 Full Disclosure**

No representation or warranty made by Lighthouse Academies in this Agreement and no statement, information or certificate furnished or to be furnished by Lighthouse Academies in connection with this Agreement contains or will contain any untrue statement of a material fact or omits or will omit any material fact.

**3.1.4 Accountability to SWDLCA**

During the Term of this Agreement Lighthouse Academies shall be accountable to, and subject to oversight by, SWDLCA .

### **3.1.5 Litigation**

There is no suit, claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body to which Lighthouse Academies is a Party or which may result in any judgment, order, decree, liability, award or other determination which will or may reasonably be expected to have a material adverse effect upon Lighthouse Academies' ability to perform its obligations under this Agreement. No such judgment, order, decree or award has been entered against Lighthouse Academies nor has any liability been incurred which has, or may reasonably be expected to have, such effect. There is no claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body involving Lighthouse Academies which will or may reasonably be expected to prevent Lighthouse Academies' ability to perform its obligations under this Agreement.

### **3.1.6 Network of Charter Schools**

Lighthouse Academies provides services to a network of charter schools in the United States that use Proprietary Materials and Information of Lighthouse Academies including its Education Program, logo and name. Commitments and obligations of Lighthouse Academies to other schools in the network shall not interfere with or limit its ability to perform its obligations to SWDLCA under this Agreement. The experience of Lighthouse Academies in providing services to the network of charter schools enhances its ability to perform its obligations under this Agreement and to develop and continually improve the Education Program.

### **3.1.7 Lighthouse Academies Officers and Directors**

No member of the board of directors, no corporate officer and no employee of Lighthouse Academies has committed, or during the term of this Agreement will commit, an act constituting a criminal offense, a morally offensive act, an act that could negatively impact the reputation of the Academy, or any other act involving dishonesty, disloyalty, fraud or breach of trust.

### **3.1.8 Conduct of Lighthouse Academies**

Lighthouse Academies has complied, and at all times during the term of this Agreement will comply with all applicable local, State and Federal laws and regulations that are applicable to the Academy and SWDLCA . The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this

Agreement.”

### **3.1.9 Records**

Lighthouse Academies shall be responsible for originating and maintaining full and complete records of the activities and decisions of SWDLCA and the Academy to ensure and document compliance with the laws and regulations mentioned in Section 3.1.7, above. All such records, whether originated and maintained by Lighthouse Academies or SWDLCA shall be the property of SWDLCA. Lighthouse Academies may make and keep a copy of all such records; agrees to provide SWDLCA with copies of all such records and the original records upon request, and to allow SWDLCA to inspect, supervise and assist with the preparation and maintenance of such records. In compliance with Section 503c, on an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy’s website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

### **3.1.10 Charter Contract**

Lighthouse Academies, with assistance from SWDLCA shall use its best efforts to obtain a Charter Contract from Grand Valley State University in a timely manner.

## **3.2 Representations and Warranties by SWDLCA**

All representations and warranties made by SWDLCA, in this Section are relied on by Lighthouse Academies and are material provisions of this Agreement. SWDLCA represents and warrants as follows:

### **3.2.1 Organization**

SWDLCA is and will maintain itself as a Michigan Public School Academy in good standing and at all times during the term of this Agreement will have the legal ability to contract to operate an Academy and to contract with ESP for management services.

### **3.2.2 Authority**

SWDLCA has all requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to otherwise perform the actions contemplated and specified in this Agreement. The person executing this Agreement on behalf of SWDLCA is an officer of SWDLCA and duly authorized by corporate resolution to execute the Agreement.

### **3.2.3 Full Disclosure**

No representation or warranty of SWDLCA in this Agreement and no

statement, information or certificate furnished or to be furnished by SWDLCA in connection with this Agreement contains or will contain any untrue statement of a material fact or omits or will omit any material fact.

**3.2.4 Accountability to Grand Valley University**

During the Term of this Agreement SWDLCA shall be accountable to, and subject to oversight by Grand Valley University.

**3.2.5 Network of Charter Schools**

SWDLCA understands and acknowledges that the Academy will be part of a network of charter schools developed, operated and/or otherwise assisted by Lighthouse Academies. SWDLCA agrees that the Academy shall be operated consistent with the norms of the Lighthouse Academies network established by Lighthouse Academies.

**3.2.6 Litigation**

There is no suit, claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body to which SWDLCA is a Party or which may result in any judgment, order, decree, liability, award or other determination which will or may reasonably be expected to have a material adverse effect upon SWDLCA's ability to perform its obligations under this Agreement. No such judgment, order, decree or award has been entered against SWDLCA nor has any liability been incurred which has, or may reasonably be expected to have, such effect. There is no claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body involving SWDLCA which will or may reasonably be expected to prevent SWDLCA's ability to perform its obligations under this Agreement.

**3.2.7 SWDLCA Officers and Directors**

No member of the board of directors and no officer of SWDLCA has committed an act constituting a criminal offense, a morally offensive act, an act that could negatively impact the reputation of the Academy, or any other act involving dishonesty, disloyalty, fraud or breach of trust.

**3.2.8 Conduct of SWDLCA**

SWDLCA has complied, and at all times during the term of this Agreement will comply with all applicable local, State and Federal laws and regulations that are applicable to it as a Michigan nonprofit corporation including the requirements of the Public School Academy Law.

**3.2.9 Records**

SWDLCA has maintained and will maintain adequate records of the activities and decisions of SWDLCA to ensure and document compliance with the laws and regulations mentioned in Section 3.2.8, above. SWDLCA agrees to provide Lighthouse Academies with copies of all such records upon request and to allow Lighthouse Academies to, at its discretion, assist

with the preparation and retention of such records.

#### **3.2.10 Charter Contract**

SWDLCA, with assistance from Lighthouse Academies shall use its best efforts to obtain a Charter Contract from Grand Valley State University in a timely manner.

### **4. DEVELOPMENT SERVICES**

Lighthouse Academies shall perform Development Services for SWDLCA that shall consist of consulting and advisory services to assist SWDLCA in obtaining a Charter including, but not limited to, identification of a Grand Valley State University, preparation of the application for a Charter Contract, and the selection of all academic and business services required to operate the Academy. In consideration for performing the Development Services, SWDLCA shall pay Lighthouse Academies a Development Fee as set forth in Section 7.4 of this Agreement.

### **5. LIGHTHOUSE ACADEMIES OPERATION OF ACADEMY UPON CHARTER APPROVAL**

If and when the Charter Contract is approved by Grand Valley State University, the Parties agree that Lighthouse Academies shall operate the Academy pursuant to the terms and conditions of this Agreement regarding the day to day operation of the Academy by Lighthouse Academies. Upon approval of the Charter Contract by Grand Valley State University, all provisions of this Agreement regarding operation of the Academy shall be in full force and binding on, and enforceable by, the Parties. Thereafter, Lighthouse Academies shall operate the Academy pursuant to the terms and conditions of this Agreement, the Charter Contract, Public School Academy Law, the Annual Budget, Academy Operations Manual, Academy Personnel Handbook, Academy Student Handbook, Education Program and all applicable Federal, State and local laws and regulations by performing Academic and Business Services required to operate the Academy subject to oversight by SWDLCA. Professional, competent and timely performance of all Academic and Business Services by Lighthouse Academies are material provisions of this Agreement. In consideration for performance of the work of operating the Academy, SWDLCA shall pay Lighthouse Academies a Service Fee as set forth in Section 7.5 of this Agreement. Specific Academic and Business Services to be performed by Lighthouse Academies shall include:

#### **5.1 Academy Management**

Manage all day to day operations of the Academy and establish, implement, evaluate, review and continually develop and improve the Education Program.

#### **5.2 Academy Policies and Handbooks**

Make appropriate professional recommendations to SWDLCA concerning all policies and procedures required to manage and operate the Academy. Upon approval by SWDLCA, those policies and procedures shall be published in the Academy Student Handbook which Lighthouse Academies shall follow in day to day management of the Academy. The Academy Student Handbook shall be

subject to annual review and revision as necessary by Lighthouse Academies and any revisions shall be subject to approval by SWDLCA. Approval of the handbook by SWDLCA shall not be unreasonably withheld.

**5.3 Principal**

Employ the Principal who shall be employees at will of Lighthouse Academies. Lighthouse Academies shall have the authority and responsibility, consistent with State law, to recruit, select, hire and evaluate the Principal and to hold him or her accountable for the success of the Academy. Academy funds shall be used to compensate the Principal and Lighthouse Academies shall consult with SWDLCA on the compensation of the Principal. Lighthouse Academies agrees that SWDLCA shall conduct an annual review the performance of the Principal and SWDLCA shall have the right to make a recommendation to Lighthouse Academies at any time regarding the continuing employment of the Principal, which recommendation shall be reasonably considered by Lighthouse Academies.

**5.4 Human Resources**

Employ all Academy Staff and management of all human resource and personnel functions including determination of staffing levels, selection of personnel, determination of staff responsibilities, compensation and other terms and conditions of employment, evaluation, training and discipline of personnel.

**5.5 Due Process and Discipline of Students**

Comply with all due process requirements secured by State and Federal laws and regulations including, but not limited to, laws and regulations regarding discipline, special education, privacy, special needs, disabilities and access to records. The Academic and Business Services provided by Lighthouse Academies pursuant to this Agreement including the provisions of its Academy Operations Manual and Academy Student Handbook shall comply with such due discipline requirements. The Principal shall have the authority to discipline or expel a student as provided by law pursuant to the policies and procedures of the Academy Operations Manual and Academy Student Handbook.

**5.6 Selection of Instructional and Non-Instructional Staff**

Recruit, evaluate and select Instructional Staff and Non-Instructional Staff for which functions the Principal and Lighthouse Academies shall have full authority and responsibility.

**5.7 Employees at the Academy**

Employ all persons working at the Academy except subcontracted personnel. All employees of Lighthouse Academies shall be employees at will subject to the terms and conditions of the Academy Personnel Handbook and the Academy Operations Manual. Under no circumstances shall SWDLCA be considered an employer or co-employer of Academy staff. Lighthouse Academies shall be responsible for compliance with all laws and regulations applicable to its responsibilities as an employer and shall indemnify, defend and hold harmless SWDLCA from any and all claims of any type whatsoever arising out of or related

to employment of staff including claims made by an employee against Lighthouse Academies and claims that may be based on the alleged negligence or misconduct of employees of Lighthouse Academies. Any member of the Academy Staff whose performance is evaluated as unacceptable shall be subject to termination. Lighthouse Academies' employment of Academy Staff shall also be subject to the following:

- i. staff shall be selected and assigned duties by the Principal with guidance provided by Lighthouse Academies and the Regional Vice President;
- ii. staff shall be subject to performance reviews consistent with the policies and procedures set forth in the Academy Personnel Handbook;
- iii. staff shall be subject to reasonable non-compete and non-solicitation provisions consistent with applicable law to protect the interests of Lighthouse Academies but not prevent any staff member from earning a living; and
- iv. staff shall be required to be present during each work day of the Academy Year and attend all professional development training during the Academy Year, prior to the Opening Date and/or the first day of each subsequent Academy Year.

**5.8 Certification and Accreditation of Academy Staff**

Provide oversight and advice to SWDLCA regarding any required Michigan State Department of Education requirements for certification and/or accreditation and/or applicable waivers thereof concerning Academy Staff and Lighthouse Academies shall secure required certification, accreditation and/or waivers.

**5.9 Professional Development and Training**

Provide professional development for the Principal and Instructional Staff and appropriate training for Non-Instructional Staff.

**5.10 Annual Budget**

Prepare and provide SWDLCA with a projected Annual Budget prior to Opening Date and on or before the first day of March of each year following the Opening Date during the Term of this Agreement. On or before April 1 of each Academy Year after the Opening Date during the Term of this Agreement or any renewal term Lighthouse Academies and SWDLCA shall mutually agree to an Annual Budget. The Annual Budget for the Academy shall provide for payment of all operating expenses related to the operation or opening of the Academy, including, but not limited to reimbursement to Lighthouse Academies of certain expenses including Lighthouse Academies' Service Fee, Development Fee, Reimbursables and any structured repayment of debt owed to Lighthouse Academies by SWDLCA. Lighthouse Academies shall act as the disbursement agent on behalf of SWDLCA for timely payment of all such agreed upon Annual Budget expenditures from funds available and held for these purposes in SWDLCA bank accounts. Lighthouse Academies shall provide documentation to SWDLCA for all such expenditures. SWDLCA shall retain the ability to disapprove any expenditure not within the Academy's approved Annual Budget



or otherwise approved by SWDLCA.

**5.11 Financial Controls, Systems, Reports and Duties**

The Board Treasurer shall serve as the “Chief Administrative Officer” of the Academy. Lighthouse Academies shall serve as the agent for the Chief Administrative Officer who shall select, install and manage effective financial controls and systems to perform all required financial management and accounting functions, which may include use of web based services and training staff to use the financial systems accurately and efficiently. Financial controls and systems must be approved by SWDLCA and such approval shall not be unreasonably withheld. The Chief Administrative Officer shall prepare monthly financial statements for the Academy to be submitted to SWDLCA and used by Lighthouse Academies in management of the Academy. Lighthouse Academies shall be authorized by SWDLCA to use and disburse SWDLCA funds to operate the Academy provided that such use and disbursement is provided for in the Annual Budget. The Chief Administrative Officer and one or more other employees of Lighthouse Academies shall be designated by resolution of the SWDLCA Board of Directors to be signatories on the Academy’s Academy bank account(s). Lighthouse Academies shall have no responsibility to make any budgeted or otherwise authorized purchases or disbursements unless funds are available in the Academy bank account.

**5.12 Payroll, Employee Salaries and Benefits**

Pay salaries, fringe benefits, and State and Federal payroll taxes of the Academy Staff. Lighthouse Academies may use a third party payroll service.

**5.13 Special Education and ELL Services**

Provide an appropriate education to all students enrolled in the Academy, regardless of need in accordance with the requirements of Federal and State law. Lighthouse Academies may contract as necessary and appropriate with a municipal, public or private contractor or otherwise for the provision of such special education or English language learner services.

**5.14 Instructional Materials**

Select instructional materials, equipment and supplies

**5.15 Academy Year**

Provide the Education Program during the Academy Year of approximately 190 days of regular instruction for students. Lighthouse Academies may extend the Academy Year, subject to the Charter, approval of SWDLCA and available funds. The calendar and schedule for the Academy Year shall be developed annually by the Principal in consultation with Lighthouse Academies and SWDLCA, and shall extend from on or about August 15 to on or about June 15 of the following calendar year.

**5.16 Academy Day**

Provide the Education Program during the Academy day which shall be approximately eight hours each weekday except holidays during the Academy Year for students in Grades 1 through 12. The daily schedule for Pre-Kindergarten (if

there is a Pre-Kindergarten at the Academy) and Kindergarten will be set prior to the Opening Date.

**5.17 Projected Opening Date and Minimum Enrollment Levels**

Determine with SWDLCA the exact Opening Date for the first Academy Year that as of the Effective Date is projected to be a day in August, 2013 provided the Facility is ready for occupancy and the Minimum Enrollment Level is met. The projected Opening Date may be changed by amendment to this Agreement pursuant to Section 12.12. Should Lighthouse Academies be unable to recruit a sufficient number of Students to reach the Minimum Enrollment Level prior to the Opening Date, the Opening Date may be postponed for one year or otherwise by duly executed amendment of this Agreement pursuant to Section 12.12. The Minimum Enrollment Level for the first five Academy Years during the Term of this Agreement shall be:

Year 1:	287
Year 2:	321
Year 3:	364
Year 4:	406
Year 5:	450

**5.18 Recruitment of Students**

Recruit Students by marketing the Academy and providing information to the public in the Target Area. Lighthouse Academies shall specifically seek to recruit a Student body that reflects the diversity of the population in the Target Area including, but not limited to, academic skill, race, economic means, religious practice, ethnicity, physical ability or disability and national origin.

**5.19 Admission of Students**

Establish an admissions process that is accessible to all applicants. Admission shall be open to all persons who are eligible to attend a public Academy in the State of Michigan on a space-available basis without regard to the person's race, color, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, proficiency in the English language, academic achievement, or any other category, status or reason that would prohibit a public Academy from denying admission to any person. If there are more applications for enrollment in the Academy than there are spaces available, Students shall be selected by a fair, transparent, random selection process. However, preference for enrollment will be given to siblings of students enrolled in the Academy and to students who were enrolled in the Academy in the previous Academy Year as well as staff and board members children.

**5.20 Family Educational Rights and Privacy Act**

Comply with the Family Educational Rights and Privacy Act ("FERPA"). SWDLCA agrees that Lighthouse Academies, in order to perform its obligations to operate the Academy under this Agreement, has a legitimate interest and needs to maintain and have access to records that are subject to FERPA. Lighthouse Academies, for

itself, its officers and employees warrants and affirms that it shall comply with FERPA at all times.

#### **5.21 State and Federal Waivers**

Identify and recommend SWDLCA seek waivers of Federal or State laws, rules or regulations that unnecessarily or unduly interfere with the provision of Academic and Business Services by Lighthouse Academies pursuant to this Agreement if appropriate and substantiated by good and legitimate reasons. SWDLCA, subject to agreement with such recommendations and concurrence by Grand Valley University, shall, with assistance from Lighthouse Academies, apply for the waiver of any such Federal or State rules or regulations.

#### **5.22 Inventory and Ownership of Property**

Inventory and account of all real and personal property purchased by SWDLCA or Lighthouse Academies for the Academy with SWDLCA funds. Such inventory and accounting may be performed by a subcontractor paid for with Academy funds. SWDLCA shall be the lawful owner of all such property.

#### **5.23 Academy Performance Evaluation**

Establish and implement performance evaluations systems that shall:

- i. permit evaluation of the educational progress of each student at the Academy;
- ii. ensure that the Students take all State required standardized tests in accordance with State laws and regulations;
- iii. ensure that the students take a nationally recognized standardized test in both the fall and spring of each Academy Year;
- iv. maintain detailed statistical information on the performance of the Academy as a whole, the performance of each grade and of each Student; and
- v. identify and measure other meaningful indicators of Student and Academy performance, including but not limited to parent involvement and parent, teacher, and student satisfaction.

#### **5.24 Annual Reports**

Prepare and provide comprehensive annual reports to SWDLCA on Academy operations, finances, including detailed reports regarding budgeted versus actual expenditures, and student performance within 30 days of the end of each calendar year. Nothing in this Section shall be construed to relieve SWDLCA of its legal authority and responsibility for the Academy under the Charter but shall be construed to confirm Lighthouse Academies' accountability to SWDLCA for the operation of the Academy and Student achievement. Lighthouse Academies shall prepare and provide SWDLCA with such reports as Grand Valley State University and the State require for SWDLCA to comply with the terms and conditions of this Agreement, the Charter, Public School Academy Law and all other applicable laws and regulations.

#### **5.25 Corrective Action Plan**

Cooperate and participate if necessary or appropriate, in any corrective action

plan required by SWDLCA, Grand Valley State University and/or the State to improve Student performance of remedy any breach of the Charter Contract, Academy Public Academy Law or Federal, State and local laws and regulations that in any way involves services provided under this Agreement by Lighthouse Academies.

**5.26 Prohibited Subcontracts**

Refrain from subcontracting performance of the Education Program or management and supervision of Instructional Staff except as specifically provided in this Agreement, or as otherwise agreed upon in writing by SWDLCA.

**5.27 Permitted Subcontracts**

Subcontract as appropriate with approval of SWDLCA for the provision of certain services required by Students including English as a Second Language, arts programs, psychological, social and special education and special needs services and the performance of Non-Instructional services including but not limited to food service, building maintenance, payroll and technology support services. All subcontracts shall be in writing, provided for in the Annual Budget, subject to the terms and conditions of this Agreement, the Charter and applicable State law. No subcontract shall relieve or discharge Lighthouse Academies from any obligation under this Agreement.

**5.28 Location of Performance**

Perform Academic and Business Services at the Facility or at an office near the Facility except for certain functions that may be performed more efficiently off-site at Lighthouse Academies' central services division or elsewhere unless prohibited by State law, the Charter Contract.

**5.29 Use of Web Based Services**

Use web based programs and/or vendors as appropriate to provide Academic and Business Services of equal or greater quality in a more effective and/or efficient and/or less costly manner.

**5.30 Other Services and Actions**

Perform such other and further services and to take such other actions as may be required by its obligations under this Agreement and the Charter that in the reasonable opinion of Lighthouse Academies may be necessary or desirable to properly and effectively operate the Academy. Such other and further services and actions shall be reported to SWDLCA and, if they require amendment to the Annual Budget, such budget amendment shall be subject to approval by SWDLCA which approval shall not be unreasonably withheld and which approval may occur subsequent to an expenditure for a service or action that was determined in the judgment of Lighthouse Academies necessary or desirable to properly and effectively operate the Academy.

**6. DUTIES AND OBLIGATIONS OF SWDLCA**

Professional, competent and timely performance of the duties and obligations of

SWDLCA set forth in this Section are material provisions of this Agreement.

**6.1 SWDLCA Board of Directors Meetings**

SWDLCA shall provide at least 48 hours written notice by fax or by electronic mail to Lighthouse Academies of all meetings of the SWDLCA Board of Directors and shall provide Lighthouse Academies with the proposed agenda of such meetings. SWDLCA shall provide Lighthouse Academies with copies of the minutes of all meetings of the SWDLCA Board and any committees thereof. In addition, Lighthouse Academies shall have the right to designate an individual to attend each meeting of the SWDLCA Board (the "Observer"). SWDLCA shall allow the Observer to attend all board functions and all meetings of SWDLCA or any committee thereof, including executive sessions. Notwithstanding the foregoing, SWDLCA, at its sole and absolute discretion, may exclude the Observer from any meeting held in executive session to discuss or act on this Agreement provided that SWDLCA notifies Lighthouse Academies that such a meeting is being held.

**6.2 Provision of a Suitable Academy Facility**

Lighthouse Academies shall undertake its best efforts to locate a Facility for SWDLCA in the Target Area. SWDLCA will not enter in a Facility Contract without the prior written confirmation from Lighthouse Academies that the Facility and Facility Contract are acceptable to Lighthouse Academies. In the event the Facility Contract includes a real property lease, SWDLCA ' shall make commercially reasonable efforts to require the lessor to maintain the real property in accordance with all applicable Federal, State, and local laws, codes, rules, and regulations. The Facility shall be covered by adequate insurance to protect the interests of Lighthouse Academies and SWDLCA in the event of damage, loss or partial loss to the property.

**6.3 Equipment**

SWDLCA shall use its best efforts to provide equipment required to operate the Academy which shall include but not be limited to desks and other furniture, technology, library and media materials, and other materials and furnishings required by the Education Program and provision of Academic and Business Services by Lighthouse Academies. SWDLCA acknowledges it has full responsibility for the procurement of equipment and may request assistance from Lighthouse Academies in the identification and procurement of suitable equipment.

**6.4 Academy Student Handbook**

SWDLCA shall review and approve the recommendations of Lighthouse Academies Student Handbook which approval shall not be unreasonably withheld.

**6.5 Annual Budget**

SWDLCA shall review the Annual Budget for the Academy and all budget adjustments recommended during the Academy Year by Lighthouse Academies upon timely presentation by Lighthouse Academies and shall have full and total

authority to approve the Annual Budget and any adjustments thereto.

**6.6 Accounting, Bookkeeping, Procurement, and other Financial Functions**

SWDLCA shall review and have the right to approve the financial systems recommended by Lighthouse Academies, which may be web based and shall retain oversight responsibility for all accounting, bookkeeping, procurement, and other financial functions performed pursuant to this Agreement by Lighthouse Academies.

**6.7 Records**

All financial, educational and other records pertaining to the Academy, whether generated by Lighthouse Academies or SWDLCA are the property of SWDLCA and subject to inspection pursuant to all applicable law including but not limited to the United States Internal Revenue Code, Public School Academy law and the Michigan Open Meeting Act and Freedom of Information Act.

**6.8 Payroll, Employee Salaries, and Benefits**

SWDLCA shall be responsible for providing sufficient funds to Lighthouse Academies for the payment of the approved salaries, fringe benefits, and State and Federal payroll taxes for employees at the Academy from the funds provided by the State based on Student attendance at the Academy.

**6.9 Annual Audit**

SWDLCA shall conduct an Annual Audit in compliance with Michigan law and regulations showing the manner in which funds are spent at the Academy. The Annual Audit shall be performed by a certified public accountant selected by the Board of Directors. Lighthouse Academies will cooperate fully with the audit and make available all records of Lighthouse Academies related to the Academy and SWDLCA that are in possession or under the control of Lighthouse Academies.

**6.10 Authority during the Term of this Agreement**

No officer, agent or director of SWDLCA shall attempt to perform any duties or exercise any authority that Lighthouse Academies is authorized to perform by this Agreement.

**7. FUNDING, FEES, REIMBURSABLES, AND LOANS**

**7.1 SWDLCA**

SWDLCA shall make every reasonable effort with the guidance and assistance of Lighthouse Academies to comply with the requirements of Public School Academy Law and Charter Contract for the purpose of receiving or maintaining its eligibility to receive State funds based on Student attendance. Lighthouse Academies shall provide documentation and assistance to SWDLCA to comply with this commitment. SWDLCA shall permit Lighthouse Academies to review all documents, applications, and reports prior to their submission to State authorities. Lighthouse Academies shall assist SWDLCA in applying for all available State funds and funds available from other sources to support and operate the Academy. Grand Valley State University shall be the fiscal agent for

the Academy. SWDLCA may authorize Lighthouse Academies to perform fiscal duties and to be a signatory on SWDLCA bank accounts subject always to full disclosure by Lighthouse Academies of all of its fiscal activities that use or involve SWDLCA funds and subject to the oversight of SWDLCA.

**7.2 Donations and Grants**

SWDLCA and Lighthouse Academies may solicit grants and donations of money, services, and/or real and personal property to support the Academy subject to formal approval, acceptance and receipt by SWDLCA.

**7.3 Extracurricular Fees**

Consistent with local practice and as allowed by law, SWDLCA may charge fees to students for extra services such as summer activities, extracurricular clubs, and after Academy activities.

**7.4 Development Fee**

As soon as SWDLCA has sufficient funds available, it shall pay Lighthouse Academies a Development Fee of fifty-thousand dollars (\$50,000) in consideration for the Development Services performed by Lighthouse Academies in the start-up year (2011-2012).

**7.5 Service Fee**

SWDLCA shall pay, a Service Fee to Lighthouse Academies in consideration for the Academic and Business Services performed by Lighthouse Academies in this Agreement. The Service Fee shall be Ten Percent (10%) of Applicable Revenues and shall be paid in installments with each installment due and payable on the first day of each month effective July, 1 2013 if the Academy is to open for the 2013-2014 Academy year, or on the first day of July of any subsequent year during the term of this Agreement in which the Academy will open providing that funds from the state have been received and if not within five (5) days after the receipt of the state funds. The minimum annual service fee shall be Ten Percent (10%) of the applicable revenue as defined in section 2.7 of this Agreement for the minimum enrollment stated in section 5.17 of this Agreement\_. The maximum annual service fee shall be shall be Ten Percent (10%) of the applicable revenues as defined in section 2.7 of this Agreement for full enrollment approved by the Board in the annual budget. Any Service Fee shall be subject to interest of four and one half percent (4.5%) if not paid by the Academy within thirty (30) days after becoming due or five (5) days after receipt of the state funds, whichever comes first. Such interest shall begin to accrue on the unpaid balance of the Service Fee on the thirty first (31<sup>st</sup>) day after the Service Fee was due to the sixth (6<sup>th</sup>) day after receipt of state funds. When funds are available, SWDLCA shall pay as much of the unpaid Service Fee and accrued interest, if any, as it is able to pay without adversely affecting the operation of the Academy.

**7.6 Academy Expenses**

SWDLCA shall pay the ordinary and necessary expenses required to operate the Academy according to the Annual Budget. Lighthouse Academies, pursuant to

authorization by SWDLCA shall write checks and pay such expenses from a bank account owned and maintained by SWDLCA.

**7.7 Reimbursables**

The amount of any Reimbursables incurred by Lighthouse Academies shall be paid by SWDLCA to Lighthouse Academies. The Annual Budget for the first Academy Year must provide full funding for the day to day operation of the Academy and shall incorporate an allocation for payment of Reimbursables, including but limited to facility costs incurred prior to the opening of the Academy.

**7.8 Loans or Advances from Lighthouse Academies**

Lighthouse Academies has and shall have no obligation to advance or loan any funds to SWDLCA. Any amounts expended by Lighthouse Academies on behalf of SWDLCA, including any amounts expended prior to approval of this Agreement and the Charter Contract, must be approved by the Parties as part of the pre-operational budget and memorialized in a written loan agreement.

**7.9 Lighthouse School Development Program**

SWDLCA may apply to the Lighthouse School Development Loan Fund for a start up loan under the terms and conditions of that program.

**8. PROPRIETARY MATERIALS AND CONFIDENTIAL INFORMATION**

**8.1 Proprietary Materials and Information**

Lighthouse Academies owns certain Proprietary Materials and Information which include copyrighted instructional materials, training materials, curriculum and lesson plans, and materials developed by Lighthouse Academies, its employees, agents or subcontractors to provide Academic and Business Services to the Academy. Lighthouse Academies shall have the sole and exclusive right to license such materials for use by SWDLCA and/or other entities and customers. SWDLCA may have or develop Proprietary Materials and Information regarding nonprofit corporation management or otherwise that are distinct and separate from the Proprietary Materials and Information of Lighthouse Academies. During the Term of this Agreement, either Party may disclose Proprietary Materials and Information including that which is currently in existence as well as that which may be created in the future. Each Party shall keep the Proprietary Materials and Information of other Party confidential and shall use such efforts as may be reasonably requested by the other Party to refrain from disclosing, publishing, copying, transmitting, modifying, altering or using such Proprietary Materials and Information except as necessary for implementation of this Agreement. Proprietary Materials and Information does not include Materials and Information that are in the public domain through no fault of a Party or any Materials or Information that was in properly in a Party's possession prior to being furnished by the other Party. If a Party is requested or required through legal process to disclose Proprietary Materials or Information, it will provide the other Party with timely notice of any such request or



requirement so that Party, if it so chooses and at its sole expense, may seek such protective orders or other appropriate remedies as may be available to it to protect the confidentiality its Proprietary Materials and Information. The Parties will cooperate with the each other to the extent they are able under applicable law if such cooperation is requested and the Party seeking to prevent disclosure of its Proprietary Materials and Information shall reimburse the other Party for all costs and expenses incurred in such cooperation.

**8.2 Obligations concerning Proprietary Materials and Information**

The Parties agree that their obligations to each other with respect to the other Party's Proprietary Materials and Information shall survive the expiration or termination of this Agreement for five years. Each Party will promptly deliver to the other Party any and all Proprietary Materials and Information, including all written and electronic copies, in its possession or control upon termination or expiration of this Agreement or upon request by the other Party; provided, however that either Party may retain copies of all such materials and information for the sole purpose of documenting performance under this Agreement if and when necessary.

**8.3 Confidential Information**

The Parties acknowledge that prior to the Effective Date of this Agreement and during the Term of this Agreement they may disclose Confidential Information to each other. They warrant and represent that they will protect the confidentiality of all information identified by either Party as Confidential Information before or at the time it is disclosed.

**8.4 Rights to Confidential Information**

Except as required for the Parties' performance hereunder, nothing in this Agreement shall be construed to require either Party to provide Confidential Information to the other Party.

**8.5 Use of Confidential Information**

The Parties agree that the Confidential Information of the other Party:

- i. shall be used solely in furtherance of this Agreement, and shall not be used for the benefit of others;
- ii. shall not be copied or reproduced without express written permission except as may be reasonably required for accomplishment of provisions of this Agreement or documentation of performance of this Agreement; and
- iii. shall not be disclosed to any third party without the prior written consent.

The Parties agree that their confidentiality obligations shall survive the expiration or termination of this Agreement for five years.

**8.6 Exceptions Regarding Disclosure of Confidential Information**

Either Party may disclose the other Party's Confidential Information to its directors, officers, employees, and such other consultants and advisors who may have a need to know in order to perform its obligations under this Agreement

and it may also disclose such Confidential Information if:

- i. The Confidential Information is in the public domain through no fault of the Party;
- ii. The Confidential Information was properly in the Party's possession prior to being furnished by the other Party;
- iii. A Party authorizes the other Party in writing to disclose specific Confidential Information in advance including, without limitation, for use in any presentation; or
- iv. A Party is requested or required through legal process to disclose such information in which case it will provide the other Party with timely notice of any such request or requirement so that Party, if it so chooses and at its sole expense, may seek such protective orders or other appropriate remedies as may be available to it to protect the confidentiality its Proprietary Materials and Information. The Parties will cooperate with each other to the extent they are able under applicable law if such cooperation is requested and the Party seeking to prevent disclosure of its Proprietary Materials and Information shall reimburse the other party for all costs and expenses incurred in such cooperation.

#### **8.7 Return of Confidential Information**

Each Party will promptly deliver to the other Party any and all Confidential Information, including all written and electronic copies, in its possession or control upon termination or expiration of this Agreement or upon request of the other Party; provided, however that either Party may retain copies of all such materials and information for the sole purpose of documenting performance under this Agreement if and when necessary.

#### **8.8 Property Rights of Third Parties**

The Parties agree that they will not knowingly infringe upon, or permit any of its employees or agents to infringe upon, any rights of any third party or knowingly violate the patent, copyright, trademark, trade secret, or other proprietary right of any third party in connection with the performance of this Agreement. If either Party becomes aware of any such infringement, that Party shall notify the other Party promptly, cease the said infringement, and take such other and further action as may be required under the circumstances.

#### **8.9 Lighthouse Academies Name, Logo, Website, Email Address, Identifiers**

SWDLCA is hereby authorized during the Term of this Agreement to use the Lighthouse Academies name and logo. Upon termination of this Agreement for any reason, SWDLCA shall cease to use the logo for any purpose. SWDLCA is authorized and required during the term of this Agreement to use the Lighthouse Academies website and e-mail address, the use of which shall also cease immediately upon termination of this Agreement. During the term of this Agreement SWDLCA may not develop or use a name, logo, website, email address any other identifiers for the Academy that are not provided by

Lighthouse Academies.

#### **8.10 Equitable Relief**

The Parties understand that the Proprietary Materials and Information and Confidential Information referred to in this Section 8 of this Agreement are unique, extraordinary, and valuable and that disclosure to unauthorized persons or entities by a Party may cause immediate damage to the other Party that is not immediately calculable and may not be adequately compensated by monetary damages alone. Accordingly, in addition to all of the remedies otherwise available to the parties in enforcing their rights to protect their Proprietary Materials and Information and Confidential Information pursuant to the Alternative Dispute Resolution provisions of Section 12.2 of this Agreement, each party shall have the right to apply to the Circuit Court of the City of Michigan or the United States District Court for the Eastern District of Michigan for equitable relief including the entry of a temporary restraining order and preliminary and permanent injunction preventing dissemination of such materials and information by the other Party and/or ordering the other Party to recover the said Proprietary Materials and Information and Confidential Information pending completion of Alternative Dispute Resolution.

### **9. INDEMNIFICATION**

#### **9.1 Indemnification Grand Valley State University**

The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the School of Excellence application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers,

employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

**9.2 Indemnification by Lighthouse Academies**

Lighthouse Academies shall protect, defend, and hold harmless SWDLCA, its directors, officers, employees, partners, successors, assigns, and agents ("Southwest Detroit Lighthouse Charter Academy Indemnitees") from any and all claims, losses, damages, liabilities, penalties, fines, expenses or costs ("Claims"), including arbitration and court costs and reasonable attorneys' fees and expenses incurred in connection with Claims resulting from or arising out of any breach or violation of Lighthouse Academies' representations, warranties, covenants, or agreements contained in this Agreement or incurred by SWDLCA to enforce this Agreement. Any monetary award entered against Lighthouse Academies under this section shall include interest accrued from the date of the first event giving rise to a Claim at a rate that shall be the Wall Street Journal Prime Rate plus one percent.

**9.3 Indemnification by SWDLCA**

SWDLCA shall protect, defend, and hold harmless Lighthouse Academies, its directors, officers, employees, partners, successors, assigns, and agents ("Lighthouse Academies Indemnitees") from any and all claims, losses, damages, liabilities, penalties, fines, expenses or costs ("Claims"), including arbitration and court costs and reasonable attorneys' fees and expenses incurred in connection with Claims resulting from or arising out of any breach or violation of SWDLCA's representations, warranties, covenants, or agreements contained in this Agreement or incurred by Lighthouse Academies to enforce this Agreement. Any monetary award entered against SWDLCA under this section shall include interest accrued from the date of the first event giving rise to a Claim at a rate that shall be the Wall Street Journal Prime Rate plus one percent.

**9.4 Limitation of Claims of SWDLCA**

Notwithstanding anything in this Agreement to the contrary, there shall be no liability for any Claim and Lighthouse Academies shall have no obligations or liabilities pursuant to Section 9.2 until the aggregate of the Claims suffered or incurred by SWDLCA Indemnitees exceeds Five Thousand Dollars (\$5,000.00) (the "Deductible"). After the Deductible has been met there shall be liability for the aggregate of all Claims. Lighthouse Academies is entitled to reduce the amount owed to an SWDLCA Indemnitee by the amount of any insurance payments received by the SWDLCA Indemnitee for damages that are the subject of any such Claim but remains subject to any applicable subrogation by the insurance company.

**9.5 Limitation on Claims of Lighthouse Academies**

Notwithstanding anything in this Agreement to the contrary, there shall be no liability for any Claim and SWDLCA shall have no obligations or liabilities pursuant to Section 9.3 until the aggregate of the Claims suffered or incurred by Lighthouse Academies Indemnitees exceeds Five Thousand Dollars (\$5,000.00)

(the "Deductible"). After the Deductible has been met there shall be liability for the aggregate of all Claims. SWDLCA is entitled to reduce the amount owed to a Lighthouse Academies Indemnatee by the amount of any insurance payments received by the SWDLCA Indemnatee for damages that are the subject of any such Claim but remains subject to any applicable subrogation by the insurance company.

**9.6 Indemnification of Third-Party Claims Against A Party**

Anything in this Section to the contrary notwithstanding, if there is a reasonable probability that a Third-Party Claim may materially and adversely affect the Indemnified Party other than as a result of money damages or other money payments, the Indemnified Party shall have the right to defend, compromise or settle such Claim, and the Indemnifying Party shall not, without the written consent of the Indemnified Party, settle or compromise any Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the giving by the Third-Party Claimant/Plaintiff to the Indemnified Party of a release from all liability in respect of such Claim.

**9.7 Payment of Indemnification**

The Indemnifying Party shall promptly pay the Indemnified Party any amount due under this Section. Upon judgment, determination, settlement or compromise of any third party claim, the Indemnifying Party shall pay promptly on behalf of the Indemnified Party, and/or to the Indemnified Party any amount required to be paid by it determined by judgment, arbitration, settlement or compromise unless in the case of a judgment an appeal is made from the judgment. If the Indemnifying Party desires to appeal from an adverse judgment, then the Indemnifying Party shall post and pay the cost of the security or bond to stay execution of the judgment pending appeal.

**10. LIABILITY INSURANCE**

**10.1 Lighthouse Academies**

Lighthouse Academies under the guidance of its Chief Administrative Officer shall maintain during the Term of this Agreement at its expense any insurance reasonably required by SWDLCA or the Grand Valley State University during the term of this Agreement and shall collaborate with SWDLCA in obtaining the insurance coverage referred to in Section 10.2 below.

**10.2 Southwest Detroit Lighthouse Charter Academy**

SWDLCA shall be responsible during the Term of this Agreement for payment of premiums to provide insurance coverage for the Parties for commercial general liability, directors and officers liability, employment practices liability including third parties, employee benefits errors and omissions, educators' legal liability, sexual abuse liability, workers compensation, hired and non-owned auto liability, umbrella policy, and any other insurance required by Grand Valley University, in such amounts and under such terms as required by Grand Valley State University and the Parties in the exercise of commercially reasonable and

prudent judgment.

## **11. TERM AND TERMINATION**

### **11.1 Term**

This Agreement shall have an initial term commencing on the Effective Date and ending on June 30, 2017 or the expiration of the initial term of the Charter Contract (the "Initial Term"), whichever is later and shall automatically be renewed for additional renewal terms ending on June 30 of each year or the expiration of any renewal term of the Charter Contract (each a "Renewal Term" and collectively with the Initial Term the "Term") whichever is later unless written notice of intent to terminate or renegotiate is given by either Party not later than December 31 of the year prior to the end of the Initial Term or December 31 of the year prior to the end of any Renewal Term (the "Annual Renewal Date"). In no event shall the Term extend beyond the effective date of any Charter granted to SWDLCA.

### **11.2 Termination by Southwest Detroit Lighthouse Charter Academy**

SWDLCA may terminate this Agreement only in accordance with the following provisions:

#### **11.2.1 Termination for Cause**

SWDLCA may terminate this Agreement for cause at any time during the Term of this Agreement if:

- i. Lighthouse Academies breaches any material provision of this Agreement;
- ii. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or termination without further action of the parties and all sums due to Lighthouse Academies shall be paid in full from the Academy's assets. Lighthouse Academies breaches any material representation or warranty contained in Section 3.1 of this Agreement or any such representation or warranty is determined to be materially untrue or false;
- iii. The Academy fails to make reasonable progress toward achievement of agreed-upon academic, financial and organizational goals as agreed to by the parties after a period of five (5) Academy Years; or
- iv. Lighthouse Academies violates any material provision of law with respect to the Academy from which the Academy was not specifically exempted and which results in material adverse consequences to SWDLCA or the Academy.

#### **11.2.2 Written Notice of Termination Required**

If SWDLCA terminates this Agreement for cause it shall give Lighthouse Academies written notice (the "Termination Notice") stating the specific

breach or breaches of this Agreement that it relies on as the cause or causes for termination.

#### **11.2.3 Termination Prior To Opening of Academy**

In the event SWDLCA terminates the Agreement for cause prior to the opening of the Academy, SWDLCA shall not be liable to Lighthouse Academies for any further payments under this Agreement, including any Reimbursables after the effective date of the termination.

#### **11.2.4 Lighthouse Academies Right to Cure**

Upon receipt of the Termination Notice, Lighthouse Academies shall have sixty (60) business days to cure any breach or breaches (the "Right to Cure Period"). If Lighthouse Academies does not cure all such breaches within the Right to Cure Period this Agreement shall be terminated.

### **11.3 Termination by Lighthouse Academies**

Lighthouse Academies may terminate this Agreement in accordance with the following provisions:

#### **11.3.1 Termination for Cause**

Lighthouse Academies may terminate this Agreement at any time for cause if:

- i. SWDLCA breaches any material provision of this Agreement; or
- ii. SWDLCA materially interferes with or limits the ability of Lighthouse Academies to perform under this Agreement.

#### **11.3.2 Written Notice of Termination Required**

If Lighthouse Academies terminates this Agreement for cause it shall give SWDLCA written notice (the "Termination Notice") stating the specific breach or breaches of this Agreement that it relies on as the cause or causes for termination.

#### **11.3.3 Reimbursables after Termination**

In the event this Agreement is terminated by Lighthouse Academies for cause, SWDLCA shall pay Lighthouse Academies all Reimbursables upon presentation of written documentation substantiating such Reimbursables and subject to availability of funds so as not to disrupt operation of the Academy.

#### **11.3.4 SWDLCA's Right to Cure**

Upon receipt of the Termination Notice, SWDLCA shall have sixty (60) business days to cure any breach or breaches. If SWDLCA does not cure all such breaches within the cure period this Agreement shall be terminated.

#### **11.3.5 Termination Without Cause Prior To Opening Date**

Lighthouse Academies may terminate this Agreement without cause at any time prior to thirty (30) days before the Opening Date upon the delivery of thirty (30) days' written notice to SWDLCA.

#### **11.3.6 Termination related to Minimum Enrollment**

If Lighthouse Academies is unable to recruit a sufficient number of Students to achieve the Minimum Enrollment Level prior to the Opening Date, this Agreement may be terminated by Lighthouse Academies upon thirty (30) days

written notice to SWDLCA.

**11.4 Termination due to Material Adverse Change**

In the event of a Material Adverse Change, either Party may deliver written notice describing the Material Adverse Change to the other Party ("Notice of Material Adverse Change"). Upon receipt of a Notice of a Material Adverse Change, the Parties shall promptly commence negotiations in good faith regarding a mutually agreeable approach (including without limitation, an amendment to the Agreement, alternative funding arrangements, etc.) to address the Material Adverse Change. If despite such good faith negotiations the Parties are unable to agree upon an acceptable approach to address the Material Adverse Change, either Party may elect to terminate this Agreement by delivering written notice of termination to the other at least sixty (60) days in advance of the effective date of such termination, or in such lesser time as is reasonable or mandated under the circumstances. The termination provisions of this section shall not be construed to in any way limit the termination for cause provisions contained in Sections 11.2.1 and Sections 11.3.1 of this Agreement. Upon termination of the Agreement due to a Material Adverse Change, SWDLCA shall pay Lighthouse Academies' Reimbursables.

**11.5 No Termination during School Year**

Notwithstanding the foregoing provisions of this Section, the Parties shall use their good faith best efforts to avoid a termination of the Agreement during the Academy Year to avoid disruption of the Education Program and the Students. Therefore, in the event this Agreement is terminated by either Party during an Academy Year, the termination will not become effective until the end of the Academy Year.

**11.6 Assistance after Termination by Lighthouse Academies**

In the event of termination of this Agreement by Lighthouse Academies, there shall be a transition period during which Lighthouse Academies shall provide reasonable assistance to SWDLCA for the shorter of the remainder of the Academy Year in which the Agreement is terminated or ninety (90) days after the effective date of termination of the Agreement to provide continuity for students and installation of new Academy management. During such transition period SWDLCA shall continue to pay Lighthouse Academies' Service Fee and Reimbursables.

**12. MISCELLANEOUS**

**12.1 Governing Law**

This Agreement shall be subject to, and governed by, the law of the State of Michigan.

**12.2 Alternative Dispute Resolution**

**12.2.1 Good Faith Negotiation of Disputes**

The Parties agree to cooperate in good faith in all actions relating to this Agreement, to communicate openly and honestly, and generally to attempt to



avoid disputes in connection with this Agreement. If a dispute should arise in connection with this Agreement, the Parties agree to use their best efforts to resolve such dispute informally in a fair and equitable manner. In the event the Parties are not able to resolve any dispute informally, they shall use the alternative dispute resolution procedures set forth in Sections 12.2.2 and 12.2.3.

#### **12.2.2 Non-Binding Mediation**

If the Parties are unable to reach an acceptable resolution of a dispute arising out of this Agreement and both Parties agree that non-binding mediation conducted by an independent professional mediator may be useful in resolving the dispute they shall engage the mediation services of United States Arbitration & Mediation (USA&M) and each Party shall pay its own expenses for such services. The non-binding mediation shall take place at the offices of USA&M, Midwest, Inc. in Michigan.

#### **12.2.3 Binding Arbitration**

If either Party determines that non-binding mediation would not be useful in resolving a dispute or if the Parties are unable to achieve the mutually agreeable resolution of a dispute through non-binding mediation, then such dispute shall be settled by binding arbitration conducted in accordance with the procedures of United States Arbitration & Mediation (USA&M). Any decision rendered in arbitration shall be final and binding and any judgment awarded may be entered, recorded, and enforced in any court of competent jurisdiction. The arbitrator shall have no authority to make any ruling, finding or award that does not conform to the laws of the State of Michigan or applicable Federal law, nor shall the arbitrator have any authority to award punitive damages or any other damages not measured by the prevailing Party's actual damages. Nothing in this Agreement shall be deemed to deny either Party its right to seek and obtain injunctive or other equitable relief from any court of competent jurisdiction with respect to the terms of this Agreement or the rights between the Parties. The Parties consent to the jurisdiction of the Circuit Court of the City of Detroit, Michigan and of the United States District Court for the Eastern District of Michigan for injunctive, specific performance or other relief in aid of the arbitration proceedings or to enforce judgment of the award in such arbitration proceeding, but not otherwise.

#### **12.3 Breach and Waiver**

No failure on the part of any Party to enforce the provisions of this Agreement shall act as a waiver of the right to enforce any provision. Further, no waiver of any breach of this Agreement shall be effective unless it is in writing and executed by the Party charged with the waiver or constitute a waiver of a subsequent breach, whether or not of the same nature. All waivers shall be strictly construed. No delay in enforcing any right or remedy as a result of a breach of this Agreement shall constitute a waiver thereof. No waiver of any provision of

this Agreement shall be deemed or shall constitute a continuing waiver unless otherwise expressly stated or constitute a waiver of any other provision of this Agreement.

**12.4 No Third Party Rights**

This Agreement is not intended to create any rights in any third party and no third party including any constituent of the Academy such as a Student, parent of a Student, member of the Academy Staff, vendor or has a right, standing or may seek to enforce the terms of this Agreement. Grand Valley State University shall have such rights with respect to this Agreement that are contained in the Charter Contract that shall be incorporated herein.

**12.5 Negligent, Wrongful or Unlawful Acts of a Party**

Nothing in this Agreement shall affect or alter in any way the lawful responsibility of either Party for negligent, wrongful or unlawful acts of the Party's employees, agents or servants in performing work pursuant to this Agreement.

**12.6 No Delegation of Responsibilities of SWDLCA**

Nothing in the Agreement shall be construed as delegating to Lighthouse Academies any of the responsibilities of SWDLCA that are not subject to delegation by SWDLCA under State law or the Charter Contract. SWDLCA may revoke any duties authorized to be performed by Lighthouse Academies under this Agreement by written notice to Lighthouse Academies; provided, however, that any such revocation shall in no way prevent SWDLCA from performing its obligations pursuant to this Agreement. Should any such revocation make it impossible or impracticable for Lighthouse Academies to perform its obligations under this Agreement, Lighthouse Academies may terminate this Agreement in accordance with Section 11.3.1 of this Agreement.

**12.7 Charter shall Control**

Any provision of this Agreement that appears to conflict with any provision of the Charter Contract shall be interpreted by, subject to and if necessary, superseded by, the relevant provision of the Charter Contract.

**12.8 Access to Lighthouse Academies Records**

Lighthouse Academies shall make available to SWDLCA or Grand Valley State University for inspection and copying, upon reasonable notice, all books, records, and documents relating to Lighthouse Academies' obligations and performance under this Agreement, the operation of the Academy, and Lighthouse Academies' receipt and expenditure of funds under this Agreement.

**12.9 Notices**

All notices, consents, and other communications ("Notices") which either Party may be required or desire to give the other Party pursuant to this Agreement shall be in writing and shall be given by personal service, telefax, nationally recognized overnight courier service, registered or certified mail (or by equivalent means) to the other Party at its respective address or telefax telephone number set forth below. Notice by personal service, telefax or overnight courier shall be deemed given upon receipt. Notice by mail shall be deemed to be given five days after deposit with the

United States Postal Service. Notices delivered by telecopy shall be confirmed in writing by overnight courier and shall be deemed to be given upon deposit into the mail by the Party doing the notifying.

Notice to Lighthouse Academies shall be addressed to:

Michael Ronan  
Lighthouse Academies, Inc.  
1661 Worcester Road  
Suite 207  
Framingham, MA 01701  
Tel 508.626.0901  
Fax 508.626.0905

Notice to Southwest Detroit Lighthouse Charter Academy shall be addressed to:

Southwest Detroit Lighthouse Charter Academy  
163 Madison St.  
Room 250  
Detroit, MI 48226

**12.10 Captions**

The captions or headings in this Agreement are made for convenience and general reference only and shall not be construed to describe, define or limit the scope or intent of the provisions of this Agreement.

**12.11 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein, as of the Effective Date, and there are no understandings of any kind except as expressly set forth herein. Further, any and all prior understandings and agreements, expressed or implied, written or oral, between the Parties are superseded hereby.

**12.12 Amendments and Modifications**

This Agreement shall not be altered, amended or modified except in writing and duly executed by the Parties. Accordingly, no course of conduct or custom shall constitute an amendment or modification of this Agreement. Any attempt to modify this Agreement orally, or in a writing not signed by both Parties, shall be void. This Agreement may not be modified, supplemented, explained, or waived by parol evidence.

**12.13 Assignment**

This Agreement, including without limitation, the rights granted herein, may be assigned, delegated transferred, pledged, or hypothecated by a Party with the prior written consent of the other Party. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their successors and assigns, and the name of a Party appearing herein shall be deemed to include the name of such Party's successors and assigns to the extent necessary to

carry out the intent of this Agreement.

**12.14 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both together shall be deemed to be one and the same Agreement.

**12.15 No Partnership or Joint Venture**

This Agreement does not create or imply the existence of a partnership or joint venture between the Parties.

**12.16 Assurances by the Parties**

The Parties agree that they will execute and deliver or cause to be executed and delivered from time to time any and all documents and take such actions as the other Party reasonably may require to more fully and efficiently carry out the terms of this Agreement.

**12.17 Severability Clause**

If an Arbitrator or Court competent jurisdiction shall declare any provision of this Agreement to be invalid, illegal or unenforceable, that provision shall be severed from this Agreement and all the remaining provisions of this Agreement shall continue in full force and effect. The invalidity, illegality or unenforceability of any term of the Agreement shall not affect the validity, legality or enforceability of the remaining terms of the Agreement, however, if permitted by applicable law, any invalid, illegal or unenforceable provision may be considered in determining the intent of the Parties with respect to other provisions of this Agreement.

**12.18 Survival of Covenants**

Any provision in this Agreement which is specifically stated to survive the termination of this Agreement and any provision which, by its terms, cannot be performed prior to the termination of this Agreement or which, by its terms, continues beyond the term of this Agreement shall be deemed to survive the termination of this Agreement. The right of a Party to pursue relief based upon a representation, warranty or obligation to perform established by this Agreement shall survive termination of this Agreement subject to applicable State statutes of limitations or limitations set forth in this Agreement.

**12.19 Negotiated Agreement**

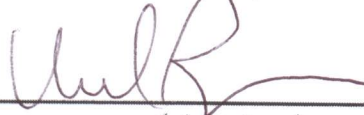
The provisions of this Agreement were negotiated by the Parties and this Agreement shall be deemed to have been drafted by the Parties, notwithstanding any presumptions at law to the contrary. Both Parties acknowledge that they have consulted with independent legal counsel regarding this Agreement.

**IN WITNESS WHEREOF**, the Parties have executed and delivered this Agreement as of the Effective Date.

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION  
WHICH MAY BE ENFORCED BY THE PARTIES

EXECUTION BY THE PARTIES

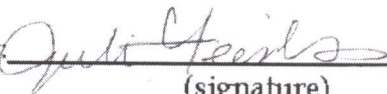
Lighthouse Academies, Inc.

By:   
(signature)

Name: Michael Linan

Title: President

Southwest Detroit Lighthouse Charter  
Academy Inc.

By:   
(signature)

Name: Julie Feinberg

Title: President

**SCHEDULE 7**

**ACADEMY SPECIFIC INFORMATION & EDUCATIONAL PROGRAM**

**SCHEDULE 7-1**

**EDUCATIONAL GOALS AND PROGRAMS**

## **SCHEDULE 7-1**

### **EDUCATIONAL GOALS**

#### **Standards for Schools Serving from Kindergarten to Eighth Grade:**

**Standard #1:** On the average of all MEAP tests administered or successor state test administered, the public school academy will meet or exceed the performance of its select peer district. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

**Standard #2:** On the average of all MEAP tests or successor state test administered, the public school academy will meet or exceed the performance of its compositional peer district. The comparison scores for the compositional peer district are populated by the weighted total of MEAP scores from those districts in which the PSA's students physically reside.

**Standard #3:** The public school academy will not average more than one-half a standard deviation below GVSU's MEAP or successor state test/Free-Reduced Lunch regression model for all grades and subjects included in the model.

**Standard #4:** The Fall to Spring growth rate of each grade and subject for all groups of pupils for which the administered nationally norm-referenced test is designed will fall at the fiftieth percentile or higher.

#### **Standards for Schools Serving Students from Ninth to Twelfth Grade:**

**Standard #1:** The public school academy will meet or exceed the performance of its select peer district's ACT composite or successor state test performance for all groups of pupils. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

**Standard #2:** The public school academy will not average more than one-half a standard deviation below GVSU's ACT or successor state assessment/Free-Reduced Lunch regression model for all grades and subjects included in the model.

**Standard #3:** The public school academy will meet or exceed its select peer district's four-year adjusted cohort graduation rate. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

**Standard #4:** The public school academy will meet or exceed its select peer district's annual percent daily attendance for all grades as recorded by the MDE. A select peer



district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

Date: \_\_\_\_\_

2/5/13

\_\_\_\_\_  
Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the <sup>Southwest Detroit Lighthouse Charter Academy</sup> Board of Directors at a properly noticed open meeting held on the 11 day of December, 2012, at which a quorum was present.

\_\_\_\_\_  
Board Secretary

**SCHEDULE 7-2**

**CURRICULUM**

## **Southwest Detroit Lighthouse Charter Academy Curriculum**

### **OVERVIEW**

SDLCA will prepare students for college through a rigorous arts infused instructional program. We believe all students can excel if given the opportunity and if held to high expectations. There are several core elements of our design which we believe foster high student achievement and success:

- College Focus: It is our job to make college real and attainable for all of our scholars. Our rigorous curricular programs provide students with the academic, cultural, and social foundation in order to be prepared for college. In addition, college is a focus that permeates our school culture.
- Arts Infusion: We believe arts-infused instruction is a key lever to increase student engagement, and thus, increase student achievement. Arts infusion is a powerful approach to teaching that enhances student learning and increases student engagement in education. We believe arts-infused instruction is an effective way to: activate student interest, engage students in learning activities and assess students' understanding of content and concepts.
- Standards-Driven Rigorous Research-Based Programs: The SDLCA curricula are anchored in the common core state standards, which define what students should know and be able to do at each particular grade level. See subject specific sections for more information about standards alignment.
- Social Curriculum and SHINE: SDLCA believes the social curriculum is as important as the academic curriculum. We believe there is a set of qualities (social skills and character traits) that all children need to develop to be successful through college and life, essential traits for being a responsible and productive citizen. Each marking period, SDLCA's SHINE program celebrates a different character trait through literature, student artwork, family involvement and classroom displays. The qualities in our SHINE program include: Self-Discipline, Humility, Intelligence, Nobility and Excellence.
- Data to Drive Instruction: Data from assessments and teacher observations will drive instruction in the classroom. It is critical that we have a solid understanding of what each student knows, what each student is able to do, and each student's learning style and pace.
- Professional Development: Professional development is a cornerstone of our model as we operate on the principle that we are all learners. SDLCA teachers have a minimum of 20 professional development (PD) days during the year. The PD calendar begins with network wide professional development in the summer. In addition, principals reconvene their staff members before the opening of school for a professional development institute (PDI). Additional professional development days are scheduled for both teacher and leaders, including Network-wide leadership workshops and meetings.
- More Time on Instruction: Educating our students is urgent work. Based on the data available the majority of students will enter SDLCA well below their national and state peers academically. They have a lot of ground to make up. To ensure that every child masters the work necessary to prepare them for college, SDLCA will provide more time on task. This means a longer school year and a longer school day than many other neighborhood schools.

### **MATHEMATICS**

Mathematics instruction at SDLCA will be carefully structured. Teachers will emphasize mastery of concepts through practice over time in order to build a solid mathematics foundation for every child. The school will use the Common Core Standards as the basis for mathematics instruction. More specifically, the curriculum is based on an organized scope and sequenced produced by the New York City Department of Education intended to prepare students for mastery of the Common Core standards. The scope and sequence of standards focus on deep understand of mathematical concepts and is aligned vertically so that material covered in 2<sup>nd</sup> grade is built upon in the 3<sup>rd</sup> grade and so on. The Mathematical Practices outlined in the common core will be evident in instruction and connected to the content standards in each grade. These Mathematical Practices include:

- Make sense of problems and persevere in solving them
- Reason abstractly and quantitatively
- Construct viable arguments and critique the reasoning of others
- Model with mathematics
- Use appropriate tools strategically

- Attend to precision
- Look for and make use of structure
- Look for and express regularity in repeated reasoning

Students at every grade level will have the opportunity to integrate art into math. For example, a second grade teacher collaborates with an arts infusion specialist to plan a math lesson on two-dimensional shapes. Using works by Pablo Picasso, Georges Braque and Paul Cezanne to provide examples of the use of shapes in painting, the teacher will help students create their own works of art with the assigned shapes from the math curriculum. Or a sixth grade math teacher will use the music concepts of beat and meter to reinforce a lesson on fractions and the music teacher will review the concept of fractions to teach beat and meter for a lesson on performance or a lesson on distinguishing musical genres from different cultures.

#### *Kindergarten*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Classify and Count Numbers to 10	Students will solidify the meaning of numbers to 10 with a focus on graphing, relationships to 5 and growth and shrinking patterns to 10 of “1 more” and “1 less.”
Identify and Describe Shapes	Students will learn to identify and describe shapes while practicing their fluency with numbers to 10.
Comparison with Length, Weight, and Numbers to 10	Students will use different units to measure length, weight, and capacity, and explore the relationship of those units. Comparison begins with developing the meaning of the words “than”: “taller than”, “shorter than”, “longer than”, etc.
Number Pairs, Addition and Subtraction of Numbers to 10	Students will compare numbers which will lead to looking at the numbers that make up a number (“3 is less than 7. 3 and 4 make 7.”). This, in turn, leads naturally to discussions of addition and subtraction.
Numbers 10-20, Counting to 100 by 1 and 10	Students will learn that the numbers 10-20 can be parsed as “10 together with a number from 1-10.”
Analyze, Compare, Create, and Compose Shapes	Students will begin to explore the concepts in area. Exploring the idea that shapes can be composed of smaller shapes.

#### *First Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Addition, Subtraction of Numbers to 10 and Fluency	Students will begin to explore addition and subtraction within 10. Fluency with addition/subtraction facts, a major gateway to later grades, also begins right away with the intention of energetically practicing the entire year.
Place Value, Comparison, Addition and Subtraction of Numbers to 20	Students will begin to work slowly by “adding and subtracting across a 10”. This strategy of the “completion of a unit” empowers students in later grades to understand the “renaming” of the addition algorithm, to add 298 and 27 (i.e., $298 + 2 + 35$ ), and add 4 ft. 8 in. and 5 in.
Ordering and Expressing Length Measurements as Numbers	Students will learn to express length measurement as numbers which will provide a few weeks to practice and internalize “making a 10” during daily fluency activities. Introducing measurement early also has the added bonus of opening up the variety and types of word problems than can be asked throughout the year.
Place Value, Comparison, Addition and Subtraction of Numbers to 40	Students will learn that the focus of adding and subtracting within 40 is on establishing “1 ten” as a new unit. Before students loosely grouped 10 objects to make 10. Now they transition to thinking of that 10 as a single unit (using 10 linker cubes stuck together, for example). Students will begin to see problems like $23 + 6$ that they can mentally push the “2 tens” in 23 over to the side and concentrate on the familiar addition problem $3 + 6$ .

Identify, Compose, and Partition Shapes	Placed in between the two heavy-duty number units is a unit on geometry. The geometry unit puts necessary internalized time between the “within 40” unit and “within 100” unit. It also gives students who may be more spatially oriented a chance to build confidence before heading back into arithmetic.
Place Value, Comparison, Addition and Subtraction of Numbers to 100	Students will focus on “adding and subtracting within 100” which is different than the “within 10” and “within 40” units. The new level of complexity is to also introduce the addition and subtraction algorithms using simple examples and familiar units of 10 made out of linker cubes.

### *Second Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Add/Subtract Numbers to 100, Fluency with Sums and Differences to 20	Students will begin with an established, motivating, differentiated fluency program in the first few weeks that will provide the amount of necessary practice for every student to reach mastery of the addition and subtraction facts to 20.
Addition and Subtraction of Length, Weight, Capacity, and Time Measurements	Students will learn to measure using non-standard units (while continuing to practice fluency). This unit provides the necessary background to ask varied and multifaceted measurement problems throughout the year. The major underlying goal of the measurement unit, however, is for students to learn the meaning of the word “unit” essentially by employing it repeatedly in describing length units, weight units, and capacity units.
Place Value, Counting, and Comparison of Numbers to 1000	Students will learn that all arithmetic algorithms are manipulations of place value units: ones, tens, hundreds, etc. The place value units move from a proportional model to a non-proportional model.
Addition and Subtraction of Numbers to 1000	Work continues into this unit on multiplication. Making groups of 4 apples each establishes the unit “4 apples” (or just four) that can be counted: 1 four, 2 fours, 3 fours, etc. Relating the new unit to one used to create it develops the idea of multiplication: 3 groups of apples equal 12 apples (or 3 fours is 12).
Preparation for Multiplication and Division Facts	Students will have another chance to practice their algorithms and problem solving skills with the most famous and most interesting units of all: dollars, dimes, and pennies.
Comparison, Addition, and Subtraction with Length and Money	Students will learn two important relationships: an analog clock face is a “curved number line” (the precursor of a protractor) and that fractions naturally occur on a clock face (e.g. half past the hour).
Recognizing Angles, Faces, and Vertices of Shapes, Fractions of Shapes	Students will learn to identify different shapes with different attributes.

### *Third Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Multiplication and Division with Factors of 2, 3, 4, 5, and 10	Students will build upon multiplicative thinking with units started in grade 2. Students will concentrate on the meaning of multiplication and division and begin fluency for learning products involving factors 2, 3, 4, 5, and 10. The restricted set of facts makes learning manageable for beginners while providing enough examples to start word and measurement problems involving weight, capacity, and time.
Problem Solving with Mass, Time, and Capacity	This unit plays a role of providing students with “internalization time” before students start into the remaining facts in the next unit. Students will work with place value, comparison, and rounding. The goal is to develop students’ number sense well enough to build proportional bar diagrams used in solving word problems throughout third grade and beyond.

Multiplication and Division with Factors of 6, 7, 8, and 9	The “6, 7, 8, and 9” facts will prepare students to learn about area. Students often find it difficult to distinguish the different squares in a rectangle array area model, count them, and recognize that the count is related to multiplication until they have worked extensively with pictures of rectangular arrays involving objects only (stars, disks, etc.)
Multiplication and Area	Area is the number of area units in a given shape. When that shape is a rectangle with whole number side lengths, it is easy to partition the rectangle into squares with equal areas. The area of each square is then a fraction of the area of the rectangle. The goal is for students to transition from thinking of fractions as parts of a figure to points in a number line.
Fractions as Numbers on the Number Line	Students will have to think of fractions as special types of units: Forming fractional units is exactly the same as what was done for multiplication. “One fourth” is the length of a segment on the number line such that the length of 4 “one fourth” segments equals 1.
Collecting and Displaying Data	Students will learn to estimate lengths to the nearest halves and fourths of an inch and record that information in bar graphs and line plots. This unit also prepares students for the multiplicative comparison problems of grade 4 by asking students “how many more” and “how many less” questions of scaled bar graphs.
Quadrilaterals and More Challenging Word Problems	Students will solve word problems and practice fluency for concepts and skills initiated earlier in the year.

#### *Fourth Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Place Value, Rounding, Fluency with Addition and Subtraction, Algorithms of Whole Numbers	Students will learn that algorithms have become the concrete knowledge which they will rely upon to understand new ideas.
Unit Conversions: Addition and Subtraction of Length, Weight, and Capacity	Students will learn to draw similarities between measurement problems which act as the “glue” that binds knowledge of the algorithms, mental math, place value, and real-world applications together into a coherent whole.
Multiplication and Division of Up to a 4-Digit Number by Up to a 1-Digit Number Using Place Value	Compound measurement units will provide students the concrete foundation behind the distributive property in the multiplication algorithm: $4 \times (1\text{m } 2\text{cm})$ can be made physical using ribbon where it is easy to see the 4 copies of 1m and the 4 copies of 2cm. Likewise, $4 \times (1 \text{ tens } 2 \text{ ones}) = 4 \text{ tens } 8 \text{ ones}$ .
Addition and Subtraction of Angle Measurements of Planar Figures	Students will learn how to measure angles in degrees using a protractor by solving unknown angle problems. They learn basic facts about angles.
Order and Operations with Fractions	Students will extend their understanding of the concept of fractions and compare and contrast their value by ordering them. Applying and extending previous understandings of operations of whole numbers, they will explore addition, subtraction, and multiplication of fractions.
Decimal Fractions	Students will learn that decimals start with the realization that decimal place value units are just special fractional units: 1 tenth = $\frac{1}{10}$ , 1 hundredth = $\frac{1}{100}$ , etc. Fluency plays an important role in both of these topics as students learn to relate $\frac{3}{10} = 0.3 = 3 \text{ tenths}$ .
Exploring Multiplication	Students will learn that there are many opportunities for them to “discover” ways to multiply 2-digit x 2 digit numbers by using their tools (place value tables, area models, bar models, the distributive property and equations, etc.).

*Grade Five*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Whole Number and Decimal Fraction Place Value to One Thousandths	Students' experiences with the algorithms as ways to manipulate place value units in grades 2-4 begins to pay dividends in grade 5. Students will learn that whole number patterns are easily generalized to decimal numbers. As students work word problems with measurements in the metric system, where the same patterns occur, they begin to appreciate the value and meaning of decimals.
Multi-Digit Whole Number and Decimal Fraction Operations	Students will have a chance to practice and hone their skills and multiplying and dividing (decimal) numbers by 1 digit whole numbers. They will be able to generalize the 1-digit algorithms to the multi-digit whole number versions.
Addition, Subtraction, Multiplication, and Division of Fractions	Students will utilize the work with place value units which they've learned in the first two units and this will pave the path to fraction units and algorithms with fractions.
Extensions and Applications of Multiplication and Division of Fractions and Decimal Fractions	Students will relate different fractional units to a common fractional unit: $1 \text{ third} + 1 \text{ fourth} = 4 \text{ twelfths} + 3 \text{ twelfths} = 7 \text{ twelfths}$ . Relating different fractional units together back to the whole unit requires extensive work with area and number line models, fluency, and bar diagrams used in word problems.
Addition and Multiplication with Volume and Area	Students will utilize the work done in the fraction unit to explore how the area changes when a rectangle is scaled by a whole or fractional scale factor. Measuring volume once again highlights the unit theme as a unit cube is chosen to represent a volume unit and used to measure the volume of simple shapes made out of rectangular prisms.
Graph Points on the Coordinate Plane to Solve Problems	Students will learn to plot points on a line graph. Students will learn that a simple line plot of a straight line is presented on a coordinate plane and students will be asked about the scaling relationship between the increase in the units of the vertical axis for 1 unit of increase on the horizontal axis – the first hint of slope and the beginning ratio work in middle school.

*Sixth Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Multiplying and Dividing	Using the meanings of fractions, multiplication and division, and the relationship between multiplication and division, students will understand and explain why the procedures for dividing fractions make sense. They will interpret and compute quotients of fractions and solve word problems involving division of fractions by fractions. These skills can be applied in solving volume problems where the edge lengths have fractional values. By the end of 6 <sup>th</sup> grade students are expected to fluently (with speed and accuracy) divide multi-digit numbers and compute with multi-digit decimals, using the standard algorithms. These skills should be solidified in this unit.
Ratios	Students will use their understanding of and skill with multiplication, division and fractions as they study ratios, rates and proportional relationships by viewing equivalent ratios and rates as derivations or extensions of pairs of rows (or columns) in the multiplication table, and by analyzing simple drawings that indicate the relative size of quantities. Students use a range of reasoning and representations to analyze proportional relationships. This work links with work in representing relationships between independent and dependent variables and set the foundation for 8 <sup>th</sup> grade work with linear equations.
Introduction to Rational Numbers	Students will extend their previous understanding of a number and the ordering of numbers to the full system of rational numbers, which includes negative rational numbers, and in particular negative integers. They reason about the order and absolute value of rational numbers and about the location of points in all four quadrants of the coordinate plane.

Expressions	Students will understand the use of variables in mathematical expressions. They will write expressions that correspond to given situations, evaluate expressions, and use expressions to solve problems. Students will understand that expressions in different forms can be equivalent, and they will use the properties of operations to rewrite expressions in equivalent forms.
Equations	Students will write equations that correspond to given situations and use formulas to solve problems. Students will learn that solutions of an equation are the values of the variables that make the equation true. Students will use properties of operations and the idea of maintaining the equality of both sides of an equation to solve simple one-step equations. Students will also construct and analyze tables, such as quantities that are in equivalent ratios, and use equations to describe relationships between quantities.
Concepts in Geometry	Students in grade 6 build on their work with area in elementary school by reasoning about relationships among shapes to determine area, surface area, and volume. They will find areas of right triangles, other triangles, and special quadrilaterals by decomposing these shapes, rearranging or removing pieces, and relating the shapes to rectangles. Using these models, students will discuss, develop, and justify formulas for areas of triangles and parallelograms. Students will find areas of polygons and surface areas of prisms and pyramids by decomposing them into pieces whose area they can determine. They will reason about right rectangular prisms with fractional side lengths to extend formulas for the volume of a right rectangular prism to fractional side lengths. They will prepare for work on scale drawings and constructions in grade 7 by drawing polygons in the coordinate plane.
Introduction to Statistics	Building on and reinforcing their understanding of number, students begin to develop their ability to think statistically. Students will recognize that a data distribution may not have a definite center and that different ways to measure center yield different values. The median measures center in the sense that it is roughly the middle value. The mean measures the center in the sense that it is the value that each data point would take on if the total of the data values were redistributed equally, and also in the sense that it is a balance point. Students will recognize that a measure of variability (interquartile range or mean absolute deviation) can also be useful for summarizing data because two very different sets of data can have the same mean and median, yet be distinguished by their variability. Students will learn to describe and summarize numerical data sets, identifying clusters, peaks, gaps, and symmetry considering the context in which the data were collected.

#### *Seventh Grade*

<b>CCSS Aligned Topic</b>	<b>Description</b>
Add, Subtract, Multiply, and Divide Rational Numbers	Apply and extend previous understandings of operations with fractions to add, subtract, multiply, and divide rational numbers and use this understanding to solve real world and mathematical problems involving the four operations.
Ratios and Proportions	Analyze proportional relationships and use them to solve real-world and mathematical problems.
Application of Proportional Relationships	Apply the understanding of proportional relationships to different situations including multi-step ratio and percent problems, and scale drawings of geometric shapes. Use random sampling to draw inferences about a population and draw informal comparative inferences about two populations.



Expressions and Equations	Students use properties of operations to generate equivalent expressions. Students understand that rewriting an expression in different forms in a problem context can shed light on the problem and how the quantities are related. They also use variables to represent quantities in a real-world or mathematical problem and construct simple equations and inequalities to solve problems.
Probability	Students will investigate chance processes and develop, use, and evaluate probability models.

### *Eighth Grade*

CCSS Aligned Topic	Description
Congruence and Similarity	In this unit, students will explore and describe the effects of translations, rotations, reflections and dilations of two-dimensional figures using coordinates. Students will understand congruence or similarity of two-dimensional figures if the second can be obtained from the first by a sequence of geometric transformations. Using informal arguments about side and/or angle relationships, students will show that two triangles are congruent or similar. Students' work with congruence and similarity will allow them to make connections among proportional relationships, lines and linear equations in the upcoming units.
Functions	In this unit, students will formalize their previous work with linear relationships to develop an understanding of functions and relations. Students will compare the properties of two functions represented algebraically, graphically, numerically in tables and/or by verbal descriptions. Students' work with linear functions will be enhanced by working with scatter plots and linear models of association in bivariate measurement data. Students will construct and interpret scatter plots to investigate patterns of association and specific points in the data. This unit lends itself to opportunity to model with mathematics and use appropriate tools strategically.
Linear Relationships	Students will build on previous work with proportional relationships, unit rates and graphing to deepen their understanding of functions and linear equations. Students will graph proportional relationships and interpret the unit rate as the slope of the line. Students will be introduced to the term <i>constant of proportionality</i> as the unit rate in tables, graphs, equations and verbal descriptions. In addition to deriving and interpreting the equation $y=mx+b$ , students will construct a function to model a linear relationship between two quantities. Students will analyze and sketch a graph of a function based on qualitative data. Students' work with proportional relationships, lines, linear equations and linear functions will be enhanced by working with scatter plots and linear models of association in bivariate measurement data. Students will assess a scatter plot to find a line of best fit.
Linear Equations	In this unit, students will build upon informal knowledge of one-variable linear equations, to solve equations, which include cases with infinitely many solutions or no solutions as well as cases requiring algebraic manipulation. Solving an equation requires students to see and make use of structure. Students will use the equation of a linear model to solve problems in the context of bivariate measurement data, interpreting the slope and intercept. This unit introduces two-way tables as a way to organize categorical data and calculate relative frequencies. Also in this unit, students will extend their previous work with geometric measurement to include solving problems involving volumes of cones, cylinders and spheres.

Simultaneous Linear Equations	In this unit, students will analyze and solve pairs of simultaneous linear equations, both algebraically and graphically, with and without the use of a graphing calculator. They will understand the meaning of the solution to a system and their graphs. Students will build on what they know about two-variable linear equations and increase the varieties of real-world and mathematical problems they can solve.
Exponents	Students will develop and apply the properties of integer exponents. Students solve real-world problems that involve operations with numbers written in scientific notation. Students will compare numbers written in scientific notation to express how many times as much one is than the other. Scientific notation presents opportunities for strategically using appropriate tools.
Radicals and Irrational Numbers	Students will know that numbers that are not rational are called irrational and can be approximated using rational numbers. Students use square root and cube root symbols to represent solutions to equations, in addition to evaluating square roots of small perfect squares and cube roots of small perfect cubes.

## ENGLISH LANGUAGE ARTS

The foundation of any strong academic program is reading. Teachers will emphasize students' ability to read increasingly complex texts, deeply analyze the text of the meeting, and utilize texts in forming opinions and argument. The school will use the Common Core Standards as the basis for reading instruction. The reading program will emphasize the five components of effective reading instruction: phonemic awareness, phonics, vocabulary/word study, fluency and comprehension. Students will also receive extensive Common Core aligned instruction in writing, listening, and speaking. Elementary students will spend at least 90 minutes per day reading and writing.

Similar to the Common Core Standards in Mathematics, the standards for English Language Arts are vertically aligned. This means that the concepts the students learn in second grade are taken into account and built upon in the third grade and so on. In ELA, there are anchor standards that outline what students should know and be able to do at increasingly complex levels, and with increasingly complex fiction and non-fiction texts, as they travel across the educational spectrum. These anchor standards are the basis for the SDLCA English Language Arts Curriculum, grades K-8.

### *Anchor Standards – Reading*

- Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.
- Determine central ideas or themes of a text and analyze their development; summarize the key supporting details and ideas.
- Analyze how and why individuals, events, and ideas develop and interact over the course of a text.
- Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.
- Analyze the structure of texts, including how specific sentences, paragraphs, and larger portions of the text (e.g., a section, chapter, scene, or stanza) relate to each other and the whole.
- Assess how point of view or purpose shapes the content and style of a text
- Integrate and evaluate content presented in diverse media and formats, including visually and quantitatively, as well as in words.
- Delineate and evaluate the argument and specific claims in a text, including the validity of the reasoning as well as the relevance and sufficiency of the evidence.
- Analyze how two or more texts address similar themes or topics in order to build knowledge or to compare the approaches the authors take.
- Read and comprehend complex literary and informational texts independently and proficiently.

### *Anchor Standards – Writing*

- Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.
- Write informative/explanatory texts to examine and convey complex ideas and information clearly and accurately through the effective selection, organization, and analysis of content.
- Write narratives to develop real or imagined experiences or events using effective technique, well-chosen details, and well-structured event sequences.
- Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.
- Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach.
- Use technology, including the Internet, to produce and publish writing and to interact and collaborate with others.
- Conduct short as well as more sustained research projects based on focused questions, demonstrating understanding of the subject under investigation.
- Gather relevant information from multiple print and digital sources, assess the credibility and accuracy of each source, and integrate the information while avoiding plagiarism.

- Draw evidence from literary or informational texts to support analysis, reflection, and research.
- Write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of tasks, purposes, and audiences.

#### *Anchor Standards – Speaking and Listening*

- Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others' ideas and expressing their own clearly and persuasively.
- Integrate and evaluate information presented in diverse media and formats, including visually, quantitatively, and orally.
- Evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric.
- Present information, findings, and supporting evidence such that listeners can follow the line of reasoning and the organization, development, and style are appropriate to task, purpose, and audience.
- Make strategic use of digital media and visual displays of data to express information and enhance understanding of presentations.
- Adapt speech to a variety of contexts and communicative tasks, demonstrating command of formal English when indicated or appropriate

#### *Anchor Standards – Language*

- Demonstrate command of the conventions of Standard English grammar and usage when writing or speaking.
- Demonstrate command of the conventions of Standard English capitalization, punctuation, and spelling when writing.
- Apply knowledge of language to understand how language functions in different contexts, to make effective choices for meaning or style, and to comprehend more fully when reading or listening.
- Determine or clarify the meaning of unknown and multiple-meaning words and phrases by using context clues, analyzing meaningful word parts, and consulting general and specialized reference materials, as appropriate.
- Demonstrate understanding of figurative language, word relationships, and nuances in word meanings.
- Acquire and use accurately a range of general academic and domain-specific words and phrases sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when encountering an unknown term important to comprehension or expression.

## SCIENCE

Science instruction at SDLCA will be inquiry based and have a strong basis in lab work, exploration, and mastery of specific concepts. It will be grounded in the Michigan Grade Level Expectations for Science in grades K-8. Additionally, if Michigan chooses to adopt the Next Generation Science Standards set to be released from the National Research Council in 2013, teachers at SDLCA will work to adapt the curriculum accordingly. To teach the core content topics and scientific method, we will provide all K-8 classrooms with the science kits created by researchers at the University of California, Berkeley, known as the Full Option Science System (FOSS). FOSS kits provide all materials and instructions a teacher needs to conduct demonstrations and labs in the regular classroom. FOSS kits will provide the basis for the curriculum through 8th grade. More information is available at [www.lhsfoss.org](http://www.lhsfoss.org).

### *Science Outcomes (Kindergarten)*

In Kindergarten, students will receive an introduction to the inquiry process including analyzing and communicating facts. They will reflect on scientific processes and learn about the social implications of science. The content focus in physical science will be on force and motion, specifically position, gravity, and force. In life science the focus will be life requirements and in earth science, the focus will be earth materials.

### *Science Outcomes (First Grade)*

In First Grade, students will continue their exploration of inquiry including analysis, communication, reflection, and social implications. In physical science units, students will explore the properties of matter: physical properties, states of matter, and magnets. Life science units will be continued exploration in life requirements and also dive into life cycles. Students will also be introduced to heredity, specifically observable characteristics. Finally, in earth sciences, students will explore earth systems including solar energy, weather, weather measurement, and solid earth materials.

### *Science Outcomes (Second Grade)*

Inquiry will be a consistent component of the SDLCA science curriculum and second grade is no exception. In physical science, students will look into the physical properties of matter as well as material composition. In life science, students will continue with life requirements and cycles as well as heredity and observable characteristics. Earth science will focus on surface changes in the solid earth and water and water movement in the fluid earth.

### *Science Outcomes (Third Grade)*

Scientific inquiry continues and increases complexity at the third grade level. In physical science, students explore force and motion again in more depth, including gravity, force, and speed. Students begin to investigate energy in all forms, in light and sound in particular. They also look at conductive and reflective properties of matter. In life science students begin to delve into structures, functions, and classification of living things. They also get familiar with evolution and the concept of environmental adaptation. In earth science, students focus on earth systems including natural resources and human impact as well as solid earth concepts like earth materials, surface changes, and use of earth materials.

### *Science Outcomes (Fourth Grade)*

Inquiry continues in the fourth grade curriculum. Students continue to explore forms of energy this time focusing on energy and temperature and electrical circuits. Students continue on with properties of matter revisiting physical properties, states of matter, magnets, and conductive and reflective properties. Students also explore changes in the state of matter. In life science students continue to investigate life requirements, evolution and the concept of survival, and ecosystems – focusing on interactions and changed environment effects. In earth science, students explore earth in space and time including characteristics of objects in the sky, patterns of objects in the sky, and fossils.

### *Science Outcomes (Fifth Grade)*

In fifth grade, students continue to apply the principles of inquiry to all of the content work they do in science. In physical science, students explore force interactions and speed. In life science they learn about animal systems, inherited and acquired traits, work on evolution continues including species adaptation and survival, and relationships among organisms. In earth science, students explore the seasons, the solar system, and motion within the solar system.

### *Science Outcomes (Sixth Grade)*

Inquiry work continues and deepens in the sixth grade as students explore hypothesis and lab experiments. In physical science, students are exposed to kinetic and potential energy, energy transfer, and changes in states of matter. In life science, students learn to classify producers, consumers, and decomposers. They learn about the interactions of organisms, relationships of organisms, biotic and abiotic factors, and the environmental impact of organisms. Finally, in earth science students learn about soil, rock formation, plate tectonics, magnetic field of earth, fossils, and geological time.

#### *Science Outcomes (Seventh Grade)*

Inquiry remains consistent in the seventh grade curriculum. In physical science, students focus on waves and energy, energy transfer, and solar energy effects. They focus on chemical properties, elements and compounds, and chemical changes – paving the way for chemistry. In life science, students focus on cell functions, growth and development, photosynthesis, and reproduction. In earth science, students dig into solar energy, human consequences, weather and climate, the water cycle, and atmosphere.

#### *Science Outcomes (Eighth Grade)*

In eighth grade, the focus on inquiry continues and content deepens significantly in order to prepare students for high school science. The curriculum is designed to cover four major topics: earth science, biology, physics, and chemistry – each of these drawing on the curricular divisions in grades K-7. The earth science curriculum focuses on earth systems, the solid and fluid earth, and earth in space and time. The biology curriculum includes organization and development of living systems, interdependence of living systems and the environment, genetics, and evolution and biodiversity. In physics, students focus on the motion of objects, forces and motion, forms of energy, and energy transformations. The chemistry portion of the curriculum includes forms of energy, energy transfer and conservation, properties of matter, and changes in matter.

## **SOCIAL STUDIES**

As students at SDLCA will work toward state standards as they use a wide array of monographs, textbooks, stories, videos, web sites, maps, pictures, and other historical sources to study cultures, geography, and social sciences. There will be a theme that's used in each grade K-8 to explore the five social studies disciplines of history, geography, civics and government, economics, and of public discourse, decision making, and citizen involvement. No highly successful social studies teacher can rely solely on one textbook. As a resource, however, we will make the Pearson Learning History and Geography Series, edited by the founder of the Core Knowledge Foundation, available to all students and teachers in grades K-6. In the Upper Academy, social studies units are designed using Understanding by Design (UBD) framework and are rooted in state social studies standards and core curriculum as well as the new national Common Core Standards. Some content may come from the Core Knowledge sequence; yet it is not the basis for instruction because of state-specific content standards. A variety of primary and secondary sources are utilized in the Upper Academy, including but not limited to Joy Hakim's History of US series and Pearson's World Studies series.

Students will participate in both active, authentic assignments and performance tasks, as well as traditional, pen-and-paper tests; we believe both types of assignments have an important role. For example, while covering a unit on the early civilizations of the Americas, students might create multi-media presentations on the predominant art forms of each civilization they learn about. A fifth grade teacher may read to the children from *The Maya: A New True Book*, by Patricia McKissack, to give them an introduction to Mayan civilization, and then show them examples of Mayan art. He would explain to students how Mayans recorded information on stone pillars called stellae. Following these lessons, students would make their own stellae using cardboard, crayons and paper. These stellae would eventually form part of a comprehensive presentation containing representations of art from all early American civilizations.

### *Social Studies Outcomes (Kindergarten through Fifth Grade)*

The theme of the Kindergarten social studies course is *Myself and Others*. The theme of the first grade social studies course is *Families and Schools*. The theme of the second grade social studies course is *The Local Community*. The theme of the third grade social studies course is *Michigan Studies*. The theme of the fourth grade social studies course is *United States Studies*. The theme of the fifth grade social studies course is *Integrated United States History*. Topics covered in history and geography in grades K-5 include using historical thinking to understand the past in the local community, Michigan, and a variety of eras in the United States; using geographic representations to acquire, process, and report information; understanding how regions are created from common characteristics; understanding the impact of human activities on the earth's service and the effect of human-environment interactions. Topics covered in civics and government and economics include explaining why people create governments; understanding principles of American democracy and how the U.S. government serves citizens; explaining rights responsibilities and the way in which citizens in America can demonstrate them; using economic concepts to understand a market economy, the United States economy, and the global economy. Finally, in grades K-5, students are exposed to the topic of public discourse, decision making, and citizen involvement which includes topics like identifying and analyzing public issues, communicating persuasively, and acting constructively to further the public good.

### *Social Studies Outcomes (Sixth Grade and Seventh Grade)*

The theme of the sixth grade social studies course is *Western Hemisphere Studies*. The theme of the seventh grade social studies course is *Eastern Hemisphere Studies*. These courses cover topics like "the world in temporal terms" intended to develop students' historical habits of mind through interpretation of historical documents as well as "the world in spatial terms" intended to develop students' geographical habits of mind by understanding the world through maps, places and regions. In sixth and seventh grade the curriculum will focus on three eras: the beginnings of human society, early civilizations and the emergence of pastoral peoples, and classical traditions, world religions, and major empires. Additional topics include physical systems, human systems, and environment and society. Students will also revisit the purpose and function of government, national and international economics, and public discourse and decision making.

### *Social Studies Outcomes (Eighth Grade)*

The theme of the eighth grade social studies course is Integrated United States History – investigated at a deeper level as it's revisited this time around. Students continue their study of their country starting with the writing of the Constitution to Reconstruction. The fifth grade curriculum covers the early beginnings, colonization, and settlement. Eighth grade covers the eras of the Revolution and the New Nation, Expansion and Reform, and Civil War and Reconstruction. The curriculum also touches on the development of an industrial, urban, and global America. Each of these eras is explored, similar to earlier grades, through the lens of historical thinking, geography, civics and government, economics, and public discourse and decision making.



## **ARTS**

At SDLCA arts infusion will be evident in every content area. It will be reflected in the pedagogical techniques of the teachers, the assignments students do, and the ways in which feedback on skill and technique is delivered and received across the curriculum.

In addition to the infusion of arts into all core subject matters, all students will also take art classes taught by an art teacher, who also serve as an arts-infusion specialist to support teachers. Visual arts, performing arts, and music curricula are based on the state and national standards. Students will focus on developing skills in a variety of visual and performing art mediums, developing art literacy (analysis, history, appreciation, etc.), and understanding the cultural, historical and personal context of artistic creation. Students will have opportunities to share their work with the school community as well as the larger community through school displays, town hall meetings and gallery showings.

## **SPANISH**

The Spanish program is intended to be an exposure program to our students in Kindergarten through Fourth Grade. The introductory program in the Lower Academy will provide students basic vocabulary, sentence structure, and spelling through presentation and recitation, activities, songs and games. As such, focus is on listening comprehension, speaking and vocabulary development. A curriculum guide highlighting core vocabulary and objectives is used as a basis of the program. Some students entering the Lower Academy may already be fluent in Spanish because it is the primary language spoken in their home. As such, the Lower Academy curriculum will be differentiated and modified accordingly to meet the unique needs of each student.

The Upper Academy Spanish program will teach developmentally appropriate language skill and cultural awareness through the study of communication, culture, connections, comparisons and communities. A standards-based curriculum will be utilized for grades 5 and 6 (and beyond to 12th grade). The curriculum will balance communication and grammar. Written to meet the needs of the diverse learners in today's classroom, it uniquely integrates language, culture, and technology to teach and motivate all students. Given that that much of the students in Southwest Detroit are already bilingual – in that Spanish is the primary language spoken at home – the selected standards based curriculum may be adapted to meet the needs of the learners.

## **PHYSICAL EDUCATION AND HEALTH**

We will mix non-competitive games with content and activities promoting healthy practices in Physical Education and Health at all grade levels. SDLCA will use the SPARK program to teach physical education. Teachers in their homerooms will be expected to work with students during morning meeting and at other times throughout the day to incorporate the focus on movement and health into the school day. For more information go to <http://www.sparkpe.org/programElementaryPE.jsp>.

## **TECHNOLOGY**

Students at all grade levels at SDLCA will learn about technology as a key part of their learning within the classroom. As students are immersed in the core content, they will use technology to communicate, collaborate, and explore. Explicit instruction will be provided by the classroom teacher to ensure that students understand how to identify, use, and maintain technological components and to build mastery of Michigan Technology standards. Technology will be investigated as both a tool for productivity and a force that shapes the global community over time. A prime example of this could be the use of PowerPoint software to create a presentation on Civil Rights. In order to do so the students will be challenged to make use of technology to create a compelling presentation of their knowledge.

**SCHEDULE 7-3**

**STAFF RESPONSIBILITIES**

# *Southwest Detroit Lighthouse Charter Academy*

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

(a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and

(b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

All administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246.

**Challenge + Arts Infusion = Transformative Opportunities**

*4001 29<sup>th</sup> St. Detroit, MI 48210 ☎ Tel 989.971.7863  
[www.lighthouse-academies.org](http://www.lighthouse-academies.org)*

## Southwest Detroit Lighthouse Charter Academy

### Staff Roles and Responsibilities - Overview

Except as otherwise provided by law, Southwest Detroit Lighthouse Charter Academy shall use certificated teachers according to state board rule. Southwest Detroit Lighthouse Charter Academy may use noncertified individuals to teach as follows:

(a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and

(b) In any other situation in which a school district is permitted under this act to use non-certificated teachers.

All administrators and chief business officials shall be certified and complete continuing education requirements as described in MCL 380.1246"

All of the positions listed here may not exist in the first year of operation – they represent positions in the school while it serves students kindergarten through 8<sup>th</sup> grade. As the school's student enrollment increases, positions will be added as necessary. Additionally, some of these positions may be contracted out or established through community partnerships depending on the availability of resources and needs of the student population.

Position	Description
Arts Teacher	Plan, execute and assess rigorous, standards-based arts instruction in a welcoming, community oriented environment and support classroom teachers in infusing arts into their instruction. Art can include visual arts, performing arts, music, dance, etc.
Business Manager	Manage and implement all policies and procedures as it relates to the business operations of the school including finance, payroll, food service, HR, purchasing, reporting, enrollment, etc.
ESL Teacher	Plan, execute and assess rigorous, standards-based English language instruction in a welcoming, community oriented environment to students whose primary language is not English. Assist classroom teachers in supporting students learning English in their instruction.
Family Coordinator	Lead the school's family outreach including parent workshops, P/T conferences, ongoing communication, attendance support, etc. Lead the school's community outreach including partnership programs including afterschool, and in-school services. Support student and family recruitment and enrollment.
Instructional Assistant	Work with teachers in classrooms to support instructional planning, delivery, and assessment and assist in the creation of a welcoming, community oriented classroom environment.
Office Assistant	Represent the school as the first point of contact with anyone who should enter. Responsibilities include administration, operational and communication support and clerical duties as requested by the school leader and leadership team.
PE Teacher	Plan, execute, and assess rigorous, standards-based physical education instruction in a welcoming community oriented environment. The program should include not only physical activity but health and wellness and nutrition as well.
Principal	Lead teachers and staff at the school to meet the school and network goals. Core functions include data analysis and instructional planning, creating a culture of achievement and respect, teacher professional development and coaching, management of operations, and management of staff, and community outreach.
School Counselor	Provide support services to students including referrals, counseling, assessment, diagnostics, and reporting within the school site. Works with teachers to ensure that the needs of students are being met in each classroom.

School Nurse	Provide health related services at the school level working with students and their families. Work includes completion of health evaluations and plans as required by policy, DPH, IDEA, or Section 504, administering medications in accordance with guidelines, rendering first aid and basic medical help, assisting families in accessing health services, etc.
Social Worker	Provide support services to students, staff, and parents. This includes completion of assessments and referrals, consulting with professional staff and outside agencies, assessments of home and family situations, serving as a member of school based family support teams, providing counsel for students, working with family coordinator to meet family needs.
Spanish Teacher	Plan, execute, and assess rigorous, standards-based Spanish instruction in a welcoming community oriented environment. Provides translation and communication support services for teachers and other staff members.
Special Education Teacher Aide	Provide direct service to students with special needs under the direction of the teacher. Includes instructional planning, execution, and assessment as well as assisting in the creation of a welcoming, community oriented environment.
Special Education Teacher	Plan, execute, and assess rigorous, standards-based instruction tailored to the individual strengths and areas for growth of students with special needs in a welcoming environment. Includes providing direct services to students, consulting with other professionals, discussing progress with parents, and conducting research in an inclusion model and/or small group setting.
SPED Coordinator-Teacher	Ensure the school is in compliance with requirements of IDEA and other state and federal laws designed for students with special needs. This includes creating and supervising the referral system, managing cases, reporting on outcomes, collaborating with parents, and performing the functions of a special education teacher.
Teacher Leader Fellow	Continue teaching in a classroom (see teacher description) while at the same time learning and executing the necessary skills to become an effective school leader at a Lighthouse Academies school.
Teacher	Plan, execute, and assess rigorous, standards-based instruction in core subject areas (math, science, ELA, social studies) in a welcoming community oriented environment. Incorporate arts and social curriculum into lessons in order to ensure the school's students are college and career ready.
Tech Teacher	Plan, execute and assess rigorous, standards-based technology instruction in a welcoming, community oriented environment and support classroom teachers in incorporating technology into their instruction.
Title 1 Coordinator	Plan and implement programs funded by Title 1, in particular plans, executes, and assesses standards-based interventions for students in need of additional support. Supports classroom teachers in differentiating to meet student's needs.



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

Title: **Regional Vice President Lighthouse Academies Inc.**

Reports To: **Chief Executive Officer**

Location: **Michigan**

### ESSENTIAL QUALITIES

*The Lighthouse Academy (LHA) Vice President (VP) is more than an educational and administrative manager of a school cluster. This person's work supports the vision that all of our students in the network to achieve high levels of academic success resulting in the creation of opportunities for a brighter future. The VP makes the commitment to work and lead with determination, integrity and purpose, embodying these essential qualities:*

- A commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in high need, urban environments
- Work demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- A reflective, self-aware and adaptable work style
- An ability to think critically, problem solve and take initiative
- A belief in the power of teamwork to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*The Vice President is accountable for the realization of the mission and vision of Lighthouse Academies' schools in the region through the achievement of network, regional, and cluster goals. The VP is also accountable for the financial and organizational viability of the schools within the cluster. The VP will work closely with the Regional Directors to assess needs and create opportunities for schools within the cluster. The VP's actions must always be aligned with our mission, vision, core values and education program. The essential functions for the VP are as follows:*

### OPERATIONAL LEADERSHIP & MANAGEMENT

**Monitor the implementation of corporate systems, procedures, internal controls, and the LHA education model**

*Examples of Work:* Oversee school budget creation and monitor spending, Monitor cluster dashboard data, Work with Regional Directors on the implementation of the LHA School Leaders Guide

**Serve as the liaison between, and collaborate with, the design/support teams and the execution teams**

*Examples of Work:* Collaborate with members of the Education Team to develop education support modules, Discuss school budgets with finance team to inform spending, Work with CEO on region expansion efforts

**Design and facilitate regional systems procedures, and internal controls consistent with LHA standards as applicable**

*Examples of Work:* Work with Regional Directors to align food service procedures to State guidelines and provide appropriate training for implementation, Revise LHA procedural documentation to align with State requirements, Manage financial audits

**Determine regional needs and find appropriate resources, in- or out-of-network, to meet these needs**

*Examples of Work:* Analyze education data to identify gaps, Research and secure consultants to address needs, Collaborate with Regional Directors and the LHA Commons staff to assess and address training needs

**Research and develop new sites in the region**

*Examples of Work:* Compile and organize educational and demographic research of assigned region, Work with local realtors and financial institutions to secure facilities, Coordinate work with LHA /LFM staff

**Work with authorizers to develop/renew charters**

*Examples of Work:* Attend meetings on charter writing and renewal, Write charter renewal and charter applications, Secure consultants as needed, Communicate with authorizers

**Serve on the LHA Leadership Team**

*Examples of Work:* Keep critical task list current, Participate actively in meetings, Complete professional reading as required

**Travel as needed; perform other duties related to this position as may arise****TALENT LEADERSHIP & MANAGEMENT****Hire, lead, inspire, and develop the talent of the regional directors, regional administrative assistants, and other regional employees, as applicable**

*Examples of Work:* Assist with recruitment and hiring of candidates as outlined in hiring protocols, Oversee Individualized Talent Development Plans and mentor team members, Inspire and invest team in the mission and vision of LHA

**Lead and organize the Regional Leadership Team**

*Examples of Work:* Develop and manage regional organizational structure, Facilitate regional meetings, Develop reporting mechanisms

**BOARD RESPONSIBILITIES****Serve as the LHA representative on each school's Board of Trustees and as LHA's public face for the region**

*Examples of Work:* Attend and actively participate in monthly Board meetings for each school in region, Attend school and community events to reinforce the Lighthouse Academies mission and vision

**Recruit members for each school's Board of Trustees**

*Examples of Work:* Assess needs of Board of Trustees, Network to bring value-add members to the Board

**PROFESSIONALISM**

- Collaborate with colleagues to continuously improve personal practice and the leadership capacity of regional directors, principals and directors of instruction; as well as to achieve the overall goals and mission of the regional schools and the network
- Access meaningful learning experiences and exercise judgment in accepting findings as valid for application in personal improvement as well as leadership and teacher improvement
- Reflect critically upon experience; identify areas for further professional development as part of a professional development plan that is linked to network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms
- Use feedback to inform and update Individual Professional Development Plan
- Fulfill all outlined and related functions professionally, timely and thoroughly
- Complete other work related to this position as assigned
- Complete responsibilities as stated in the Emergency Leadership Succession Plan.

**MINIMUM QUALIFICATIONS**

**EDUCATION:** Master's Degree in Education Administration

**EXPERIENCE, KNOWLEDGE & SKILLS:**

- Five (5) years of experience as a school administrator with a proven track record of “moving the needle” with student achievement in high need, urban environments
- Experience coaching and mentoring school leaders and teachers
- Successful experience with charter applications and/or charter renewals
- Knowledge of school finance, procedures and operations

- Desire to work in a mission and goal driven, entrepreneurial environment
- Sharp intellect with the ability to think critically and solve immediate, short-term and long-term problems
- High level of energy
- Unquestionable integrity
- Experience with collaborative leadership
- Knowledge of the K-12 continuum
- Ability to organize, multi-task and prioritize
- Experience with data managements tools and computer programs (Word, Excel, Access, PowerPoint and Outlook)
- Ability to travel up to 30% of work year within region and to National Office; Valid driver's license required

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Goal-based evaluation once a year by Chief Executive Officer

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Administrative, and Exempt





## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

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we make it happen.

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**Title: Business Manager – Lighthouse Academies**  
**Reports To:**

### ESSENTIAL QUALITIES

*The Lighthouse Academy (LHA) Business Manager is more than a business and operational manager. Their work helps to transform children's lives by assisting in the creation of opportunities for a brighter future. We are seeking a Business Manager who will make the commitment to conduct this work with determination, integrity and purpose, embodying these essential qualities:*

- A commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in high need, urban environments
- A sense of urgency as it relates to the relentless pursuit of high academic student achievement
- A reflective, self-aware and adaptable work style
- An ability to think critically, problem solve and take initiative
- A belief in the power of teamwork to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*The Business Manager is responsible for oversight of the day-to-day business operations of the school, including student and staff data, food service, transportation, and reporting. This person must be a creative thinker who is able to problem-solve and implement systems. This person must be able to work in a fast-paced environment where each day could present new challenges related to the essential functions below:*

### BUSINESS MANAGEMENT

- **Implement the LHA Procedures Manual by effectively administering all policies and procedural processes as these relate to the business operations of the school.**  
*Examples of Work:* Follow all procedures related to procurement, inventory, and food service orders, and accounting
- **Run financial systems and pay invoices.**  
*Examples of Work:* Verify receipt of goods and services, input invoice information for payment, process invoices as required, receive and process cash and checks received at the school in accordance with procedures, make bank deposits as required and needed.
- **Oversee payroll administration through HRB.**  
*Examples of Work:* Prepare bimonthly payroll, input payroll into ADP, track staff attendance
- **Manage all financial information related to food service and supervise the Food Service Staff.**  
*Examples of Work:* Secure free and reduced lunch applications from parents, complete qualifications, daily deposits, file monthly food service claims, monitor payments by the state.
- **Serve as human resource administrator as it relates to employee information and benefits.**  
*Examples of Work:* Maintain systems, educate and support staff with benefits enrollment, maintain staff files, input staff information into PowerSchool, maintain up to date forms on the Prism.  
**Track and order daily operational supplies and assist with purchasing food, supplies, furniture, fixtures and equipment**  
*Examples of Work:* Complete purchase orders and on-line orders from secured vendors, track orders, inventory

incoming orders

- **Capture and organize key school data for the creation and completion of all district, state and network reports, as requested.**  
*Examples of Work:* Assist principal with monthly Board reports, complete monthly food claim reports, file enrollment reports
- **Assist with organization of student recruitment processes.**  
*Examples of Work:* Organize and input student applications, assist with lottery preparation, track enrollment and collect enrollment information, maintain wait list and make contact with families as necessary.
- **Maintain staff files as outlined in LHA Procedures Manual, preserving confidentiality as required by law.**  
*Examples of Work:* Collect and ensure that all required paperwork is in files, keep files organized and current
- **Coordinate work with members of the LHA Commons, Lighthouse Facilities Management and others related to school business.**  
*Examples of Work:* Input Helpdesk tickets, participate in monthly financial calls and training calls as needed, communicate in a timely way via email and phone.
- **Provide training to staff and parents with relation to LHA procedures and systems.**  
*Examples of Work:* Train staff with use of systems, meet with staff to secure required paperwork, provide overview of enrollment process to parents, and meet with parents to secure required paperwork and information
- **Complete any other task related to this position including the supervision of assigned personnel.**

## **PROFESSIONALISM**

- Collaborate with colleagues to continuously improve personal practice as well as to achieve the overall goals and mission of the regional schools and the network.
- Access meaningful learning experiences and exercise judgment in accepting findings as valid for professional growth.
- Reflect critically upon professional experience; identify areas for further professional development as part of a professional development plan that is linked to school and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to inform and update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree in an appropriate discipline or equivalent experience

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Experience with payroll and accounting systems
- Familiarity with PowerSchool and required state specific student information systems
- Advanced knowledge of Microsoft Office, especially Excel.
- Ability to use Excel and other technologies to manipulate data and data formats
- Familiarity with web-based technologies
- Must have a strong attention to detail
- Demonstrated experience in critical thinking and creative problem solving in a collaborative work environment
- Ability to work closely with a wide range of people including students, faculty, administrators and support staff who possess a wide variety of skills.
- Ability to fulfill a variety of functions in a team environment without direct supervision.
- Excellent written, verbal and interpersonal communication skills.
- Ability to train end-users on technology systems.
- Desire to work in a mission and goal driven organization
- Efficiency and ability to work under and meet deadlines
- A sense of humor

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Goal-based evaluation twice a year by supervisor

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Administrative Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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### VISION

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### CORE VALUES

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### Title: FAMILY COORDINATOR

Reports To: Principal

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) family coordinators are more than parent liaisons, student advocates and community outreach organizers. They help transform children's lives by creating opportunities for a brighter future. We are seeking family coordinators who will make the commitment to conduct their work with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy family coordinator works to create and enhance a culture of achievement and respect where high expectations and results are the norm. Family coordinators' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our family coordinators are as follows:*

### FAMILY OUTREACH and ORGANIZATION

- Organize parent workshops that support the school's vision, mission and goals.
- Develop and manage programs that increase parent involvement in their child's education program, including the development and maintenance of a parent resource center.
- Communicate with parents about high academic and behavioral expectations for students, as well as the school's policies and programs.
- Work with the school leadership and staff to create a wide variety of parent volunteer opportunities; coordinate all aspects of the parent volunteer program.
- Serve as the school's liaison with homeless families ensuring homeless children are receiving necessary education and related services.
- Assist the school with achieving high student attendance (attendance data tracking, parent phone calls, home visits, working with attendance/truancy officers).
- Convey parent/guardian concerns to the school administration and staff.
- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians (notes home, phone calls, in-person meetings) concerning school events and opportunities.
- Update and maintain school's webpage on a regular basis including the calendar and newsletters.
- Work collaboratively with families, and other members of the community as requested to aid in the involvement and support of the success of a diverse student population, and to bring in volunteers and additional resources.

- Complete any related clerical/administrative support duties as required by the principal and LHA regional support staff, including state, district and network reports.

### **COMMUNITY OUTREACH and ORGANIZATION**

- Serve as a liaison with the community, parents and institutions for the purpose of identifying and recruiting students; actively market the school in the community through flyer distribution, oral presentations, home visits.
- Manage and track recruitment activities with student marketing work plan.
- Develop and maintain relationships and partnerships with other agencies and community-based organizations to further the mission of the school; execute outreach programs.

### **PROFESSIONALISM**

- Collaborate with colleagues (school-wide meetings, office manager calls, professional development days) to continuously improve personal practice and to support the achievement of the overall goals and mission of the school and the network.
- Access meaningful learning experiences (professional development opportunities, ideas from colleagues and supervisors) and exercise judgment in accepting findings as valid for application in practice and improvement.
- Reflect critically upon experience and practice; identify areas for further professional development as part of a professional development plan that is linked to professional growth and school/network level goals; access meaningful learning experiences; listen thoughtfully to other viewpoints and responds constructively to suggestions and criticisms.
- Use feedback to inform and update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**I. EDUCATION:** High School diploma, or G.E.D., with related coursework in relevant areas.

### **II. EXPERIENCE, KNOWLEDGE & SKILLS:**

- Administrative experience in a school environment or teaching experience in a school environment
- Experience with community outreach and organization
- Thorough working knowledge of the immediate and surrounding community
- Demonstration of cultural competency with respect to school's student population
- Effective interpersonal skills to provide high quality customer service
- Engaging and informative presentation style
- Working knowledge of school administrative systems and student information systems
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)
- Excellent organization skills; demonstrated decision-making and problem solving skills
- Sense of humor

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** At least twice a year by Principal through formal and informal (ongoing) observations, progress toward standards outlined in Non-Instructional Staff Evaluation, and goals outlined in Individualized Professional Development Plan

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-Time, Administrative (non-academic), and Non-Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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### VISION

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**Title: PRINCIPAL**

**Reports To: Regional Director**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) principals are more than school leaders and managers. They help transform children's lives by creating opportunities for a brighter future. LHA school leaders are responsible for ensuring all of our students achieve high levels of academic success. We are seeking principals who will make the commitment to lead with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*The principal of a Lighthouse Academy school is an instructional, operational and strategic leader who works to create and enhance a culture of achievement and respect where high expectations and results are the norm. Our principals are responsible for demonstrating significant and measurable academic gains, each year, with all students. Our principals' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our principals are as follows:*

### INSTRUCTIONAL LEADERSHIP

#### **I. DATA ANALYSIS**

- Lead the school team in reaching the eight network goals; align school goals to the charter and LHA model.
- Manage all school programs in a manner that ensures efficiency, effectiveness and compliance; evaluate programs and make changes, as necessary, in line with the charter and the LHA model.
- Ensure timely, continuous and effective use of data for decision making and differentiated programming and instruction.
- Provide and present data toward network and school goals to the Board of Trustees and other constituents, as requested.

#### **II. PROFESSIONAL DEVELOPMENT**

- Serve as instructional leader, collaborating closely with the Director of Instruction to determine professional development needs of school to meet all network and school related goals.
- Work closely with each individual staff member (both instructional and non-instructional) to assist and guide them with the development of the Individual Professional Development Plan; provide training and allow for opportunities for staff to meet individual goals; evaluate progress toward goals.

#### **III. CULTURE of ACHIEVEMENT and RESPECT**

- Provide the collaborative leadership necessary to implement the school's mission; coordinate work and collaborate with the LHA network.
- Create a school culture with staff, parents and students focused on strong academic achievement, fairness, respect and high expectations for behavior (aligned with the school's charter, the LHA Curriculum Guides and the LHA School Culture Guide) that allows students to take risks and strive to reach goals.

- Establish, model, practice, and reinforce age-appropriate rules and logical consequences when working with students and staff members regarding student behavior.
- Initiate and maintain timely communication with all parents/guardians (through daily/weekly folders, notes home, weekly newsletters, phone calls, in-person meetings, conferences, report cards) concerning student progress and to provide a clear picture of the curriculum, culture and high expectations.
- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.

## **OPERATIONAL LEADERSHIP**

### **I. MANAGEMENT**

- Establish and manage school operations, procedures, systems, and routines that provide structure for students and maximize instructional time.
- Complete and monitor all compliance requirements (Education law and regulations; federal programs initiatives; student support service programs, emergency plans and protocols).
- Complete all required authorizer, district and network reports with accuracy and timeliness.
- Manage and oversee school budget, ensuring that all financial transactions are completed in accordance with LHA policies and procedures.

### **II. CULTURE of ACHIEVEMENT and RESPECT**

- Recruit, hire, train, and evaluate staff, and complete any other personnel actions, in accordance with LHA policies and procedures.
- Conduct and supervise marketing of school; actively recruit families to ensure full enrollment.
- Establish, build and maintain community partnerships and relationships (arts partners, educational and child advocacy groups, business partners, media) to support the success of a diverse student population and the mission of the school, and to bring in volunteers and additional resources.

## **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement; as well as to achieve the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercise judgment in accepting findings as valid for application in leadership and teacher improvement.
- Reflect critically upon leadership experience; identify areas for further professional development as part of a professional development plan that is linked to school and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to inform and update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Masters Degree in Education, Education Administration or Teaching

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Five (5) years teaching experience. Three (3) years of school administrative experience.
- Training and implementation of LHA curriculum programs
- Turning best practices into high quality, goal-driven results
- Proven track record of closing the achievement gap
- Collaborative leadership and school-based decision making
- Education law and regulations; federal programs initiatives; student support service programs
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)
- Sense of humor

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Goal based evaluation twice a year by Regional Director with input from the local Board of Trustees

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Administrative, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: TEACHER LEADER FELLOW**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*The Teacher Leader Fellow is a Lighthouse Academy (LHA) master teacher and school leader in training. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Teacher Leader Fellow is someone whose masterful teaching abilities have resulted in significantly closing the achievement gap with his/her students. While in the Teacher Leader Fellow training program, the Teacher Leader Fellow will continue his/her masterful teaching in a classroom, at the same time learning and executing the skills necessary to become an effective School Leader with Lighthouse Academies.*

*All Teacher Leader Fellows' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

## INSTRUCTIONAL LEADERSHIP

### **I. MASTERFUL TEACHING**

- Demonstrate exemplary teaching as outlined in the LHA Teacher Performance Standards and through the effective implementation of the LHA Education Program.
- Create and manage a safe and welcoming learning environment.
- Demonstrate effective and meaningful use of arts-infusion in his/her classroom.
- Class serves as model classroom for instructional rounds (peer observation)

### **II. DATA ANALYSIS**

- Demonstrate turning data analysis into differentiated and targeted instruction in his/her classroom.
- Demonstrate success in meeting or exceeding LHA network-wide goals.
- Assist the leadership team with the writing and monitoring of the school-wide Culture of Achievement Plan

### **III. PROFESSIONAL DEVELOPMENT**

- Research, plan and implement two school based Professional Development sessions.
- Lead grade level/content area meetings

- Complete required Professional Development sessions and calls as determined by school and network
- Maintain a reflection journal.
- Participate in learning walks quarterly with leadership team.

#### ***IV. CULTURE OF ACHIEVEMENT AND RESPECT***

- Build a culture of achievement and respect with families, students and school and network staffs.
- Model professionalism and the LHA Essential Qualities at all times.

### **OPERATIONAL LEADERSHIP**

#### ***I. MANAGEMENT***

- Assist Director of Instruction with the organization and management of program resources.
- Assist Director of Instruction with the coordination of LHA and state assessment programs, both logistics and organization of materials.
- Implement pre-assessment strategies to motivate students and decrease test anxiety in his/her classroom.
- Draft a school based project in collaboration with the school leadership team.
- Utilize school and network resources to complete project in alignment with the LHA Education Model.

### **PREFERRED QUALIFICATIONS**

**I. EDUCATION:** Masters Degree in Education, Education Administration or Teaching

#### ***II. EXPERIENCE, KNOWLEDGE & SKILLS:***

- Three (3) years teaching experience
- Required state teaching certification/licensure
- Highly Qualified status under No Child Left Behind
- Strong desire to work within an innovative, urban educational program
- Proven track record of raising student achievement scores in an urban environment
- Ability to use data to inform instruction and decision-making related to student achievement
- Ability to turn best practices into high quality, goal-driven results
- Training and implementation of LHA curriculum programs
- Instructional coaching and/or mentoring
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

### **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric and standards set for Teacher Leader Fellow Program, network goals, and Individualized Professional Development Goals.

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Stage 1 Teacher Leader Fellow: Full-time Academic Year (11 month employee), Exempt  
Stage 2 Teacher Leader Fellow: Full-time, Administrative (12 month employee), Exempt





## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All teachers are responsible for demonstrating significant and measurable academic gains, each year, with the students they teach. All teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

### INSTRUCTION

#### ***I. ORGANIZING for INSTRUCTION***

- Use the Lighthouse Academies' Curriculum Guides to create rigorous, objective-driven, arts-infused lessons aligned with state standards.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.

#### ***II. DELIVERY of INSTRUCTION***

- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present academic content through a variety of instructional strategies to reach all learners.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.

### ASSESSMENT

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.

- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice.
- Use data to update each student's Individual Learning Plan.

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians (through daily/weekly folders, notes home, weekly newsletters, phone calls, in-person meetings, conferences, report cards) concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in academic activities and to support the success of a diverse student population and to bring in volunteers and additional resources.

## **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure
- Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Proven track record of raising student achievement scores in an urban environment
- Ability to use data to inform instruction and decision-making related to student achievement
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
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High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: TITLE I COORDINATOR**

**Reports To: School Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) Title I Coordinators are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking Title I Coordinators who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy Title I Coordinator works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All coordinators are responsible for demonstrating significant and measurable academic gains, each year, with the students they teach. All coordinators' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our coordinators are as follows:*

### INSTRUCTIONAL LEADERSHIP

#### ***I. CULTURE OF ACHIEVEMENT AND RESPECT***

- Use the state standards to create rigorous, objective-driven, arts-infused lessons.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.
- Collaborate with Director of Instruction to ensure that standards and skill sets addressed in lesson plans are being anchored into daily remediation.
- Conduct weekly Title I team meetings and work with Title I Teaching Assistants during weekly professional development sessions.
- Monitor the implementation of intervention programs, such as Corrective Reading, in classrooms.
- Collaborate with Family Coordinator to provide monthly family events.

#### ***II. PROFESSIONAL DEVELOPMENT***

- Work collaboratively with school leadership team to determine professional development offerings and participate in school-wide walk-thrus.

- Discuss strategies to use during intervention and model for effective instructional strategies to be used during small group instruction.
- Observe Title I Teaching Assistants and provide constructive feedback.

### ***III. DATA ANALYSIS***

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.
- Analyze Data and Running records collected from Title I Teaching Assistants.
- Conduct School Needs Assessment
- Oversee and monitor all Federally-Funded Assessments (Acuity/DIBELS/MCLASS)
- Oversee the development of interim assessments

### **OPERATIONAL LEADERSHIP MANAGEMENT**

- Monitor Title I Teaching Assistants' schedules and Employee Sign in Sheets
- Monitor Title I Budget and maintain accurate records in Title I Binder
- Organize and update Title I Binder with all required documents
- Attend all Title I state workshops, Webcasts and conference calls
- Serve as liaison between school and Title I School Coordinator at DOE

### **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Education

### ***EXPERIENCE, KNOWLEDGE & SKILLS:***

- Three (3) years prior teaching experience preferred
- Knowledge of current instructional practices, Title I regulations and school policies
- Strong organizational skills
- Ability to work cooperatively with others
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)
- Must have current certification as a teacher

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** By school principal in an ongoing manner

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** May be full-time or may be a part-time position coupled with a full-time position, such as teacher; Academic, but may be administrative, 12 month position upon request of principal, Exempt.



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: SPECIAL EDUCATION COORDINATOR/TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) Special Education Coordinators/Teachers are more than compliance officers, instructional staff members and program managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking special education coordinators/teachers who will make the commitment to lead and teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy Special Education Coordinator/Teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All special education coordinators/teachers are responsible for demonstrating significant and measurable academic gains, each year, with the students they teach. All special education coordinator/teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our special education coordinators/teachers are as follows:*

### COORDINATION and MANAGEMENT

- Ensure that the school is in compliance with the requirements of *IDEA*, the *No Child Left Behind Act of 2001* and the *Rehabilitation Act of 1973*; complete all required reports with accuracy by identified submission dates; ensure confidentiality of student files.
- Create and supervise the school's referral system for students who are struggling academically and/or socially; coordinate referral system with local, state and federal requirements.
- Develop and oversee the case management system for all students on IEPs and 504 Plans, including overseeing manifestation hearings.
- Manage, with others, the procurement of 3<sup>rd</sup> party services needed to support special education services; monitor and evaluate the effectiveness of these services.
- Support the development and implementation of special education grants with others.
- Develop and manage the reporting system for all special education and related services programs.
- Coordinate the testing and assessment programs for students with identified accommodations as outlined in the IEP or 504 Plan with the school site staff coordinating assessments.

### PROFESSIONAL DEVELOPMENT

- Ensure that all staff have receive mandated professional development for working with students with IEPs and 504 Plans, as well as additional professional development that meets the differentiated instructional needs of individual students to fully support the academic and emotional growth of all students.
- Collaborate with other special education coordinators and related staff in the network to share best practices and knowledge.
- Coordinate all training with school leadership team.

## **TEACHING**

- Provide direct instruction and services in and out of the classroom to assigned students with IEPs and 504 Plans including, but not limited to, writing goals and objectives, administering and interpreting individual formal and informal assessments.
- Work with other instructional staff members to plan for and modify instruction of students with IEPs and 504 Plans.
- Consult with other professionals; consult and discuss issues with parents; plan, deliver, and evaluate instructional outcomes; and conduct the research needed to perform essential function s of the position.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians (through daily/weekly folders, notes home, progress reports, meeting notifications, in-person meetings) concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with families and other members of the community to involve them in academic activities, to support the success of a diverse student population and to bring in volunteers and additional resources.

## **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Master's Degree in Special Education, or a related field, preferred

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Five (5) years teaching experience in special education, including instructional and supervisory experience
- Required state teaching certification in special education; Highly Qualified status under *No Child Left Behind*
- Knowledge of *IDEA*, the *No Child Left Behind Act of 2001*, the *Rehabilitation Act of 1973*, as well as state and local special education programs and systems.
- Proven track record of closing the achievement gap with students with special needs
- Training in and implementation of LHA curriculum programs, as well as intervention programs
- Turning best practices into high quality, goal-driven results
- Special Education management systems, data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)
- Excellent written, oral and interpersonal skills to communicate effectively and professionally with varied audiences

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Evaluation twice a year by Principal based on progress toward network goals, IPDP goals and core competencies

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** FT Academic year, Administrative, Exempt or FT Academic, Exempt. School specific.



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### Title: SPECIAL EDUCATION TEACHER

Reports To: Principal

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) special education teachers are more than staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking a special education teacher who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy special education teacher provides direct services to students, consults with other professionals, discusses progress with parents, plans, delivers and evaluates instructional outcomes, and conducts the research needed to perform the essential functions of the position. Instruction is delivered in a classroom through an inclusion model and/or small group pull-out. The essential functions for our special education teachers are as follows:*

- Implements the Lighthouse Academies, Inc. curriculum, which includes the incorporation of the arts in daily instruction.
- Collaborates with general education classroom teacher to modify curriculum to reach all learners.
- Writes goals and objectives for IEPs using state's special education software, such as ISTAR.
- Administers and interprets individual formal and informal assessments and measures student achievement of, and progress toward, their objectives and goals.
- Participates in IEP meetings and provides necessary documentation, as requested.
- Provides progress reports to parents as stated in the IEP, maintain timely communication with all parents/guardians concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Communicates and enforces high expectations and standards for behavior, aligned with the LHA School Culture Guide and Responsive Classroom/DDMS, to create a strong culture of achievement and respect.
- Organizes and maintains, in student file, all required paperwork for all assigned students and ensures compliance with federal and state regulations.
- Follows through with parent and staff requests and provides consultations regarding students.
- Coordinates services for assigned students provided by itinerant staff or party providers.
- Accesses meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflects critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.

- Develops an Individual Professional Development Plan for approval by the school principal.

**Examples of Work:**

- Writes students IEP according to federal and state guidelines
- Writes lesson plans that correlate with the IEP
- Completes progress reports and assessment reports as required.
- Maintains students' files with completed paperwork reflecting the essential components as determined by federal and state laws
- 

**MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Special Education

**EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure
- Highly Qualified status under *No Child Left Behind*
- Knowledge of applicable federal and state regulations and statutes.
- Strong desire to work within an innovative, urban educational program
- Proven track record of raising student achievement scores in an urban environment
- Ability to use data to inform instruction and decision-making related to student achievement
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

**HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt





## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: SPECIAL EDUCATION TEACHING ASSISTANT**

**Reports To: Principal**

### ESSENTIAL QUALITIES

***Lighthouse Academy (LHA) special education teaching assistants are more than staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking a special education teaching assistant who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:***

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

***A Lighthouse Academy special education teaching assistant provides direct service to students under the direction of the teacher. The direct instruction is delivered in a classroom, media center, laboratory, and other settings. Consultation with teachers, parents, other professionals, and agencies may take place outside of the school. The essential functions for our special education teaching assistants are as follows:***

- Implements the Lighthouse Academies, Inc. curriculum, which includes the incorporation of the arts in daily instruction.
- Develops differentiated instruction techniques in core subjects and implements these in the classroom.
- Modifies curriculum and instruction to induce differentiated instruction after consultation with teacher.
- Plans and delivers instruction using approved methods for assigned students.
- Provides corrective feedback to students and re-teaches as necessary to ensure that the students have mastered the objectives.
- Utilizes the school's behavior management approach with assigned students.
- Conducts research, reads professional literature, reflects, in the subject area of the assignment.
- Implements modifications in a student's education plan that is required by an IEP, 504 Plan, bilingual education program and/or federal, state, and municipal laws.
- Participates in IEP meetings and provides necessary documentation, as requested.
- Develops an Individual Professional Development Plan for approval by the school principal.
- Completes written reports and assigned administrative tasks related to these functions.
- Consults with other school staff as necessary to complete the functions of the position.

### **Examples of Work:**

- Teaches curriculum for assigned subjects.
- Develops and teaches model lessons that exemplify differentiated instruction pedagogy.
- Administers assessments, corrects student work, and conferences with students on the results.
- Maintains student records as required by school policy.
- Works collaboratively with other teachers, staff, students, and families.

## MINIMUM QUALIFICATIONS

**EDUCATION:** Associate's degree or Bachelor's degree

**EXPERIENCE, KNOWLEDGE & SKILLS:**

- Either a state approved certificate or a state license as a teaching assistant.
- Student teaching or equivalent experience required.
- Mastery of content knowledge in assigned area (s) of instruction as demonstrated by passing state exam.
- Oral and written communication skills; interpersonal skills; personal organization skills.
- Knowledge of applicable federal and state regulations and statutes.
- Understanding of the basic principles of explicit instruction and student engagement; knowledge of theory and practice of student learning styles.
- Knowledge of the system and school committee policy; the school's mission and goals.
- Computer skills including word processing, database, and spreadsheet.

## HUMAN RESOURCE INFORMATION

**EVALUATION:** Goal based with up to three (3) observations a year by Principal.

**EMPLOYMENT AND BENEFITS:** Per company policy.

**CLASSIFICATION:** Academic, Non-exempt, Full-time.



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: SCHOOL COUNSELOR**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) school counselors are more than staff members. They help transform children's lives by creating opportunities for a brighter future. We are seeking a counselor who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy school counselor provides support services to students. Support services include referrals, counseling, assessment, diagnostics, and report writing. This work takes place at the school site. All school counselors' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our school counselors are as follows:*

- Completes assessments, referrals, and counseling with students.
- Consults with other professional staff, outside agencies and other organizations.
- Serves as a member of school-based teams to provide support to students and confidential guidance to staff.
- Counsels students individually or in groups.
- Meets with staff to discuss strategies for certain student(s).
- Communicates progress and developments with parents as needed.
- Serves on the school's Response to Intervention Team.

### Examples of Work:

- Completes written reports of all cases and meetings.
- Interviews students, families, and staff.
- Makes oral presentations of assessments, diagnostics, and observations, in accordance with all confidentiality laws and regulations.
- Collaborates with teaching staff to determine the best setting to meet student needs (i.e., individual counseling, social skill development groups, mentoring classes).
- Completes other reports as may be required by federal, state, or local agencies, laws, and regulations.

### MINIMUM QUALIFICATIONS

**EDUCATION:** Master's degree in the field of counseling, MSW preferred

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Three (3) years prior experience providing the service required by this position, including at least three years of experience working with and counseling children preferred.

- Holds a license from the State to provide services as a Licensed Counselor.
- Strong desire to work within an innovative, urban educational program
- Strong interpersonal skills; personal organization skills.
- Knowledge of appropriate counseling procedures.
- Knowledge of applicable federal and state statutes dealing with privacy, care and protection abuse.
- Ability to diagnose emotional, personal, and social issues using DSM
- Ability to make referrals to appropriate staff members and other agencies and organizations.
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Computer skills including word processing, database, and spreadsheet are required.

## HUMAN RESOURCE INFORMATION

**EVALUATION:** Goal based, with at least two written evaluations per academic year by Principal.

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Full-Year, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

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**Title: SCHOOL NURSE**

**Reports To: Principal**

### ESSENTIAL QUALITIES

***Lighthouse Academy (LHA) nurses are more than staff members. They help transform children's lives by creating opportunities for a brighter future. We are seeking a nurse who will make the commitment to conduct their work with determination, integrity and purpose, embodying these essential qualities:***

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

***A Lighthouse Academy nurse provides health related services at the school level. All nurses' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our nurses are as follows:***

- Complete health evaluations of students as required by policy, the local Department of Public Health (DPH), IDEA or Section 504.
- Consult with students, parents, administrators and other staff as needed to explain health assessments or other medical information.
- Develop and implements health care plans required by policy or state and federal regulations.
- Administer medications in accordance with DPH guidelines.
- Render first aid as needed.
- Render basic medical help as needed.
- Communicate with parents and families regarding child's illness. Supervise sick children.
- Communicate with Principal and school community regarding any infectious or contagious diseases present in the school.
- Assist students, families, and staff in locating and accessing appropriate health services.
- Connect families with local health services and agencies; coordinate health and wellness events for families

### **Examples of Work:**

- Serves on the School Wellness and Staff Wellness Committees.
- Maintain health records and files.
- Supervise volunteers and others who may be involved in the delivery of services.
- Complete health assessments as required.
- Work cooperatively with other health professionals and agencies in the delivery of services.
- Complete follow up on accident reports with students and parents.
- Provide in-service training to the staff.

- Advise supervisor on medical or health related issues on an as needed basis.
- Complete plans, reports, and other documentation, as may be required by policy or regulation.

## MINIMUM QUALIFICATIONS

**EDUCATION:** Bachelor's degree in nursing or enrollment in a course of study leading to a B.S.N., and course work in Education or teaching experience. Current license and certification as required by state regulations or other law.

**EXPERIENCE, KNOWLEDGE & SKILLS:**

- At least two (2) years experience working in a school or health service delivery environment with children.
- A valid driver's license.
- Current CPR/First Aid certification as a trainer.
- Oral and written communication skills.
- Interpersonal and organizational skills.
- Knowledge of appropriate policies, regulations, and statutes.
- Computer skills including email, word processing, health reporting.

## HUMAN RESOURCE INFORMATION

**EVALUATION:** Up to two observations per year by Principal.

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Academic, Exempt. Part-time or Full-time depending on School(s)' needs and budget.



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**Title: SOCIAL WORKER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) social workers are more than staff members. They help transform children's lives by creating opportunities for a brighter future. We are seeking a social worker who will make the commitment to conduct their work with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy social worker provides support services to students, staff, and parents. Support services include referrals, counseling, assessment, diagnostics, and report writing. This work takes place at the school site, in other public buildings, and in private residences. All social workers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our social workers are as follows:*

- Completes assessments, referrals, and counseling with students and families.
- Consults with other professional staff, outside agencies and other organizations.
- Completes assessments of home and family situations.
- Serves as a member of school-based teams to provide support to families.
- Counsels students and/or families individually, or in groups.
- Works collaboratively with the Family Coordinator to assess and meet the social needs of students and families.
- Maintains and protects confidentiality at all times.

### Examples of Work:

- Completes written reports of all cases and meetings.
- Interviews students and families.
- Make oral presentations of assessments, diagnostics, home visits, and observations.
- Completes other reports as may be required by federal, state, or local agencies, laws, and regulations.
- Leads school-based social groups.
- Serves on the Response to Intervention (RtI) Team.

### MINIMUM QUALIFICATIONS

**EDUCATION:** Master's degree in field of social services, MSW preferred

**EXPERIENCE, KNOWLEDGE & SKILLS:**

- Experience providing the service required by this position, including at least three (3) years of experience working with and counseling children.
- Holds a license from the State to provide services as a Licensed Clinical Social Worker.
- Oral and written communication skills; interpersonal skills; personal organization skills.
- Knowledge of appropriate counseling procedures.
- Knowledge of applicable federal and state statutes dealing with privacy, care and protection abuse.
- Ability to diagnose emotional, personal, and social issues.
- Ability to make referrals to appropriate staff members and other agencies and organizations.
- Computer skills including word processing, database, and spreadsheet.

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Goal based, with at least two written evaluations per academic year by Principal.

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Academic, Exempt, Full-time.





## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: SPANISH TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) Spanish teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking Spanish teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy Spanish teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All Spanish teachers are responsible for demonstrating significant and measurable gains with the students they teach. All Spanish teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our Spanish teachers are as follows:*

### INSTRUCTION

#### ***I. PLANNING for INSTRUCTION***

- Use the state standards to create a rigorous, objective-driven, arts-infused Spanish program.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.
- Collaborate with classroom teachers to create interdisciplinary units that teach grade level content knowledge and skills through Spanish.

#### ***II. DELIVERY of INSTRUCTION***

- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present content through a variety of instructional strategies to reach all learners; including the use arts-infusion: chants, songs, visual arts and drama.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.

### ASSESSMENT

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.
- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice.

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom/DDMS, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in activities and to showcase student work.

## **PROFESSIONALISM**

- Collaborate with colleagues (school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Spanish or Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure; Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Proven track record of success with students
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills for communicating with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

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**Title: ESL/ELL/BILINGUAL TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All teachers are responsible for demonstrating significant and measurable academic gains, each year, with the students they teach. All teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

### INSTRUCTION

#### ***I. PLANNING for INSTRUCTION***

- Use the state standards to create rigorous, objective-driven, arts-infused lessons.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.

#### ***II. DELIVERY of INSTRUCTION***

- Provide push-in services in a general education classroom and pull-out services in a resource room to ELL students to pre-teach, re-teach, or otherwise support students' academic success.
- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present academic content through a variety of instructional strategies to reach all learners.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.

### ASSESSMENT

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.

- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice. .

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians (through daily/weekly folders, notes home, weekly newsletters, phone calls, in-person meetings, conferences, report cards) concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in academic activities and to support the success of a diverse student population and to bring in volunteers and additional resources.

## **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure
- Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Bilingual in Spanish
- Proven track record of raising student achievement scores in an urban environment
- Ability to use data to inform instruction and decision-making related to student achievement
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: TECHNOLOGY TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) technology teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy technology teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All technology teachers are responsible for demonstrating significant and measurable academic gains with the students they teach. All teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

### INSTRUCTION

#### ***I. PLANNING for INSTRUCTION***

- Use the state standards to create a rigorous, objective-driven, arts-infused technology education program.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.
- Collaborate with classroom teachers to create interdisciplinary units that teach grade level content knowledge and skills through music.

#### ***II. DELIVERY of INSTRUCTION***

- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present academic content through a variety of instructional strategies to reach all learners.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.
- Collaborates with core subject teachers to infuse technology into core subjects as well as provide supplemental instruction through technology.

## **ASSESSMENT**

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.
- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice.
- Use data to update each student's Individual Learning Plan.

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom/DDMS, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in technology activities and to support the success of the student.

## **PROFESSIONALISM**

- Collaborate with colleagues (school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Computer Science or Technology Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure; Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Proven track record of success with students
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills for communicating with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: ART TEACHER**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) art teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy art teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All art teachers are responsible for demonstrating significant and measurable academic gains with the students they teach. All teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

### INSTRUCTION

#### ***I. PLANNING for INSTRUCTION***

- Use the state standards and curriculum to create a rigorous and objective-driven arts program.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.
- Collaborate with classroom teachers to create interdisciplinary units that teach grade level content knowledge and skills through physical education

#### ***II. DELIVERY of INSTRUCTION***

- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present content through a variety of instructional strategies to reach all learners.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.
- Collaborates with core subject teachers to infuse art into core subjects as well as provide supplemental instruction through the arts.

### ASSESSMENT

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.
- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice.

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom/DDMS, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in activities and to support the success of the student.

## **PROFESSIONALISM**

- Collaborate with colleagues (school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Education or Arts Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure; Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Proven track record of success with students
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills for communicating with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt





## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

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Today is the day  
we make it happen.

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### Title: PHYSICAL EDUCATION TEACHER

Reports To: Principal

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) physical education teachers are more than instructional staff members and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teachers who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy physical education teacher works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All physical education teachers are responsible for demonstrating significant and measurable academic gains with the students they teach. All teachers' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teachers are as follows:*

### INSTRUCTION

#### ***I. PLANNING for INSTRUCTION***

- Use the state standards and curriculum to create a rigorous, objective-driven, arts-infused physical education program.
- Identify in each lesson what thinking skills will be explicitly taught and practiced; what physical, social, or content skills students will be able to do and how students will know if they can do it.
- Differentiate for individual students based on their unique learning needs so all students are appropriately engaged and challenged.
- Ensure students are engaged through activities and technology that accommodate various learning styles, personality styles, and the need for physical movement.
- Collaborate with classroom teachers to create interdisciplinary units that teach grade level content knowledge and skills through physical education.

#### ***II. DELIVERY of INSTRUCTION***

- Explicitly introduce learning objectives to activate students' prior knowledge as it relates to the objectives, and conclude the lesson by revisiting the learning objective and having students apply it in context.
- Present content through a variety of instructional strategies to reach all learners.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.
- Collaborates with core subject teachers to infuse movement into core subjects as well as provide supplemental instruction through movement

## **ASSESSMENT**

- Develop standards-aligned, measurable, ambitious big goals that will increase student opportunities for achievement; assess and track performance against these goals.
- Measure student achievement of, and progress toward, the learning objectives and big goals with formative and summative assessment tools.
- Provide ongoing and timely feedback to students on their progress towards meeting big goals by frequently checking for understanding and listening.
- Use data to reflect on effectiveness of lessons and student achievement progress in order to improve instruction and personal practice.

## **LEARNING ENVIRONMENT**

- Create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom/DDMS, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Implement classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in activities and to support the success of the student.

## **PROFESSIONALISM**

- Collaborate with colleagues (school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercises judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon teaching experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Use feedback to update Individual Professional Development Plan.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Bachelor's degree, preferably in Physical Education

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Two (2) years prior teaching experience preferred
- Required state teaching certification/licensure; Highly Qualified status under *No Child Left Behind*
- Strong desire to work within an innovative, urban educational program
- Proven track record of success with students
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills for communicating with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Formal and informal (ongoing) observations; Progress toward standards outlined in Teacher Performance Standards Rubric, network goals, and Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: TEACHING/INSTRUCTIONAL ASSISTANT (Title 1)**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*Lighthouse Academy (LHA) teaching/instructional assistants are more than instructional supports and classroom managers. They help transform children's lives by creating opportunities for a brighter future. We are seeking teacher/instructional assistants who will make the commitment to teach with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Work in schools that demonstrates a sense of urgency and the relentless pursuit of high academic student achievement
- Reflective, self-aware and adaptable to communication and work styles of others
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*A Lighthouse Academy teaching/instructional assistant works to create and enhance a culture of achievement and respect where high expectations and results are the norm. All teaching/instructional assistants are responsible for supporting teachers with demonstrating significant and measurable academic gains, each year, with the students they teach. All teaching/instructional assistants' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our teaching/instructional assistants are as follows:*

### INSTRUCTION

#### ***I. ORGANIZING for INSTRUCTION***

- Modify the Lighthouse Academies' curriculum under the direction of the teacher to differentiate instruction for students.
- Develop differentiated instruction techniques to ensure students are appropriately engaged and challenged, as well as to accommodate various learning styles, personality styles, and the need for physical movement.

#### ***II. DELIVERY of INSTRUCTION***

- Implement the Lighthouse Academies curriculum to assigned students under the direction of the teacher; present academic content through a variety of instructional strategies to reach all learners.
- Execute modifications in a student's education plan that is required by an IEP, 504 Plan, bilingual education program and/or federal, state, and municipal laws.
- Provide many and varied opportunities for students to achieve mastery while working to promote achievement by all students without exception.

### ASSESSMENT

- Provide corrective feedback to students and re-teach as necessary to ensure that students have mastered the objectives.
- Assist with conducting formative and summative assessment as requested; assist with small group accommodations.
- Use data to inform teacher for updating each student's Individual Learning Plans and other education plans.
- Participate in meetings (IEP meetings, grade level meetings, parent conferences) as requested

## **LEARNING ENVIRONMENT**

- Work with teacher to create a focused environment of fairness and respect that encourages students to take risks and strive to reach goals.
- Communicate and enforce high expectations and standards for behavior and academic performance, aligned with the LHA School Culture Guide and Responsive Classroom, to create a strong culture of achievement and respect.
- Establish, model, practice, and reinforce age-appropriate rules and logical consequences; create and consistently use individual behavioral management plans, as needed.
- Assist teacher with the implementation of classroom procedures, systems, and routines that provide structure for students and maximize instructional time.

## **FAMILY and COMMUNITY RELATIONS**

- Communicate respectfully and thoughtfully with parent/guardians remaining sensitive to different families' cultures, values and needs.
- Initiate and maintain timely communication with all parents/guardians as requested by the teacher (through daily/weekly folders, notes home, phone calls, in-person meetings, conferences) concerning student progress and to provide a clear picture of the curriculum and high expectations.
- Work collaboratively with parents/guardians, families, and other members of the community to involve them in academic activities and to support the success of a diverse student population and to bring in volunteers and additional resources.

## **PROFESSIONALISM**

- Collaborate with colleagues (grade level and school-wide meetings, professional development days, the professional development institute) to continuously improve personal practice, classroom instruction, assessment, and student achievement, as well as the overall goals and mission of the school and the network.
- Access meaningful learning experiences (current theory, research, and developments in relevant academic disciplines, professional development opportunities, and ideas from colleagues and supervisors) and exercise judgment in accepting findings as valid for application in classroom practice and teacher improvement.
- Reflect critically upon experience; identify areas for further professional development as part of a professional development plan that is linked to grade level, school, and network goals; access meaningful learning experiences; and listen thoughtfully to other viewpoints and respond constructively to suggestions and criticisms.
- Develop an Individualized Professional Development Plan and use feedback to inform and update it.
- Fulfill all outlined and related functions professionally, timely and thoroughly.

## **MINIMUM QUALIFICATIONS**

**EDUCATION:** Associate's degree or Bachelor's degree, preferably in Education

### ***EXPERIENCE, KNOWLEDGE & SKILLS:***

- Prior experience working in a school setting supporting student instruction
- Either a state approved certificate or a state license as a Teaching/Instructional Assistant.
- Strong desire to work within an innovative, urban educational program
- Understanding of the basic principles of explicit instruction and student engagement
- Mastery of content knowledge in assigned area (s) of instruction as demonstrated by state exam
- Mastery of assigned subject; knowledge of current practices
- Knowledge of school policy; knowledge of theory and practice of student learning styles
- Knowledge of applicable federal and state regulations and statutes
- Proven track record of raising student achievement scores
- Ability to turn best practices into high quality, goal-driven results
- Highly effective writing, oral and interpersonal skills to communicate with a varied audience
- Data managements tools, organizational tools, computer skills (Word, Excel, Access, PowerPoint and Outlook)
- Sense of humor

## **HUMAN RESOURCE INFORMATION**

**EVALUATION:** Goal based evaluation based on formal and informal (ongoing) observations; progress toward network goals and goals outlined in Individualized Professional Development Goals

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Academic, and Non-Exempt



## LIGHTHOUSE ACADEMIES POSITION DESCRIPTION

*We prepare our students for college through a rigorous arts-infused program.*

### VISION

All students will be taught by an outstanding teacher in a nurturing environment. Every student will achieve at high levels and develop the knowledge and values necessary for responsible citizenship and life long learning. The impact of our collaborative efforts will fundamentally change public education.

### CORE VALUES

Work hard. Get smart.  
Graduate from college.

High expectations  
equal results.

Nothing less  
than excellence.

Today is the day  
we make it happen.

**Title: OFFICE ASSISTANT**

**Reports To: Principal**

### ESSENTIAL QUALITIES

*The office assistant works with the principal and office manager. This person performs additional administrative support functions at a Lighthouse Academy. We are seeking an office assistant who will make the commitment to conduct their work with determination, integrity and purpose, embodying these essential qualities:*

- Past experiences and actions reflect a commitment to the LHA mission, vision, core values
- A passion and ability to build and sustain the LHA K-12 model in a high need, urban environment
- Reflective, self-aware and adaptable to communication and work styles of others
- Sense of urgency and relentlessness resulting in a record of outstanding student achievement
- Critical thinker and problem solver who takes initiative
- Belief in the power of collaboration and works to build a collaborative culture with LHA network, community, staff, families and students

### ESSENTIAL FUNCTIONS

*The office assistants' actions must always be aligned with our mission, vision, core values and education program. The essential functions for our office assistant are as follows:*

- Represents Lighthouse Academies by serving as the first point of contact when someone enters the school building or calls the school.
- Communicates professionally at all times and responds to all inquiries and requests within 24 hours.
- Serves as liaison between employees and those visiting or contacting the school by taking messages and setting up appointments.
- Assists Family Coordinator with copying and distributing information to families.
- Completes other clerical/administrative duties as required by the principal or office manager to manage the front office.

### EXAMPLES OF WORK:

- Report absences to Parent Coordinator
- Answer phones and check voicemail
- Answer intercom calls from the classroom
- Welcome volunteers and visitors to the building and escort them to the appropriate place
- Maintain a log of requests for transportation changes
- Collect supply requests and give to Office Manager
- Give Student Transfer paperwork to Office Manager, Principal and Family Coordinator daily
- Copying and Filing

### MINIMUM QUALIFICATIONS

**EDUCATION:** Associate's degree

### **EXPERIENCE, KNOWLEDGE & SKILLS:**

- Experience providing the services required by this position, including at least one (1) year of experience working in a school environment.

- Must possess highly effective interpersonal skills to provide customer service.
- Experience using Microsoft Office Pro software and ability to effectively use word processing, spreadsheet, presentation, and database applications.
- Ability to complete written reports/correspondence.
- Working knowledge of standard office equipment including, but not limited to: PC, copier, fax machine, telephone, and local network and Internet searches.
- Excellent organizational skills.
- Demonstrated decision-making and problem solving skills.

## HUMAN RESOURCE INFORMATION

**Evaluation:** Goal based with at least two (2) written evaluations an academic year conducted by Principal

**EMPLOYMENT AND BENEFITS:** Per company policy

**CLASSIFICATION:** Full-time, Administrative, Non-exempt

**SCHEDULE 7-4**

**METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT**

#### SCHEDULE 7-4

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. A Comprehensive Performance Review (CPR) system will be established by Grand Valley State University Charter Schools Office and shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

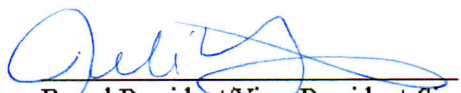
Included in the Comprehensive Performance Review shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the Michigan Education Assessment Program (MEAP) test or the Michigan Merit Examination (MME) designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

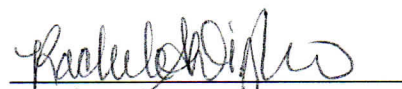
The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Date: 2/5/13

  
Board President/Vice President Signature

#### Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Southwest Detroit Lighthouse Charter Academy Board of Directors at a properly noticed open meeting held on the 11 day of December, 2012, at which a quorum was present.

  
Board Secretary



**SCHEDULE 7-5**

**ACADEMY'S ADMISSION POLICIES AND CRITERIA**

## **Southwest Detroit Lighthouse Charter Academy Admissions Policy and Criteria**

Southwest Detroit Lighthouse Charter Academy will serve Kindergarten through 12<sup>th</sup> grade. It will open with elementary grades and grow each subsequent year.

In accordance with federal laws, no student will be denied admission to SDLCA based on race, ethnicity, national origin, gender, disability, aptitude, or athletic ability. The school will be open to any child who is eligible under the laws of the state of Michigan for admission to a public charter school and the school shall ensure compliance with all applicable anti-discrimination laws governing public schools, including Title VI of the Civil Rights Act. New students will be admitted each year without regard to prior measures of achievement or aptitude, athletic ability, disability, handicapped condition, ethnicity, race, creed, gender, national origin, religion, or ancestry. Preference in admission will be given to those students who have siblings already enrolled in SDLCA.

Open enrollment for the 2013-14 school year will begin in January 2013 and will be open until April 2013. SDLCA will make every effort to advertise open enrollment by posting fliers at restaurants, grocery stores, and other key places around the Southwest Detroit Community. Additionally, SDLCA will be partnering with local churches and Head Start programs to ensure that families are aware of the school's presence. During the enrollment period, families will have opportunities to meet with the school leader(s) and learn about the proposed program and mission of the school. Events for enrollment will be held on evenings and weekends to ensure that all interested families can attend. Applications will be available in English and Spanish; translation into other language will be available as necessary. If families need assistance in completing the application, such support will be provided for them by a staff member at the school.

If the number of students described who apply for admission at any grade level exceeds the enrollment cap of the Academy or grade level, then all such students shall be subject to a lottery for admission. Sibling policy will be applied at the lottery; i.e., if more than one child from a family has applied for admission and one of the children is selected by the lottery, then the other applicants from that family are also permitted to attend. The lottery shall use a mechanism for selecting students that will result in an equal probability that any student will be selected, and does not give the Academy discretion to waive the selection of any student selected under the lottery mechanism. If the Authorizer desires to do so, it may have a representative present to observe the actual selection of students under the lottery process.

**SCHEDULE 7-6**

**SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE**

Southwest Detroit Lighthouse Charter Academy  
School Day Schedule

The standard school day provides for 7 hours of instruction each day (35 hours/week). Lunch and recess will be provided to all students every day for 45-60 minutes between the hours of 11am and 1pm. This schedule ensures that students receive approximately 1,200 hours of instruction for the school year, exceeding the 1,098 hours required by the State of Michigan.

The standard school day will be from 8am to 4pm each day. There will be exceptions to this schedule for parent teacher conferences, weekly teacher professional development days, and other early release days noted in the school calendar.

The school day will ensure that appropriate time is spent on core subjects: English Language Arts, Math, Science, and Social Studies and will also include specials such as Art, Physical Education, and Spanish class.

*Note: The monthly calendars only show the first 2 holidays/events per day from the list below. You will need to add other events manually.*

## 2013-2014

Date	Event or Holiday
7/8-7/12	LHA Leaders Training
8/12-8/30	Teacher Professional Development/Home Visits
19-Aug	Parent Open House
30-Aug	Tentative Teacher Celebration/School Event
2-Sep	No School -Holiday: Labor Day
3-Sep	First Day of School
12-Sep	Parent Orientation
13-Sep	Hold for NWEA 1
2-Oct	Hold for Count Day
8-Oct	MEAP Reading Day 1 (3rd, 4th and 5th)
9-Oct	MEAP Reading Day 2 (3rd, 4th and 5th)
10-Oct	MEAP Writing Day 1 (4th)
15-Oct	MEAP Math (3rd, 4th and 5th)
16-Oct	MEAP Writing Day 2 (4th)
5-Nov	Professional Development: No School
6-Nov	First Quarter Ends (47 Days)/Grades Due
14-Nov	Parent/Teacher Conferences; Early Dismissal
11/28-11/29	No School - Holiday: Thanksgiving
19-Dec	Holiday party
25-Dec	No School - Holiday: Christmas Day
12/23-1/3	Winter Break
1-Jan	No School - Holiday: New Year's Day
20-Jan	No School - Holiday: MLK Day
23-Jan	Hold for NWEA 2
31-Jan	Second Quarter Ends (47 Days)/Grades Due
3-Feb	Professional Development: No School
6-Feb	Parent/Teacher Conferences; Early Dismissal
17-Feb	No School - Holiday: President's Day
17-Mar	Professional Development: No School
10-Apr	Third Quarter Ends (47 Days)/Grades Due
17-Apr	Parent/Teacher Conferences; Early Dismissal
4/18-4/25	Spring Break
8-May	Hold for NWEA 3
19-May	Professional Development: No School
26-May	No School - Holiday: Memorial Day
12-Jun	Tentative Teacher Celebration/School Event
13-Jun	Fouth Quarter Ends (43 Days)/Grades Due
16-Jun	Last Day of School
6/17-6/27	Mandatory Summer Academy
6/23-6/27	Parent/Teacher End of Year Meetings

December 2013						
M	Tu	W	Th	F	Sa	Su
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

March 2014						
M	Tu	W	Th	F	Sa	Su
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2014						
M	Tu	W	Th	F	Sa	Su
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

**SCHEDULE 7-7**

**AGE/GRADE RANGE OF PUPILS ENROLLED**

**Age/Grade Range of Pupils Enrolled**

Southwest Detroit Lighthouse Charter Academy is authorized to operate Kindergarten through 12<sup>th</sup> grades. In the initial year the Academy will enroll age appropriate children in grades K-5. The age range of children enrolled in the initial year will be 4 years old through 12 years old. In 2013-14, students entered in kindergarten must turn 5 years old by November 1<sup>st</sup>. In 2014-15 they must turn 5 years old by October 1<sup>st</sup> and in 2015-16 and all subsequent years, they must be 5 years old by September 1<sup>st</sup>.

**SCHEDULE 7-8**

**ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE  
OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE**



# Southwest Detroit Lighthouse Charter Academy

4001 29<sup>th</sup> St.  
Detroit, MI 48210

February 5, 2013

Dr. Timothy Woods  
201 Front Ave SW, Suite 310  
Grand Rapids, MI 49504

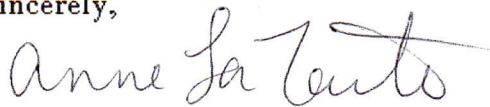
Dear Dr. Woods,

I'm writing to inform you that the official address of Southwest Detroit Lighthouse Charter Academy will be as follows:

4001 29<sup>th</sup> St.  
Detroit, MI 48210

I believe our previous application had a different address and I wanted to make sure you have an accurate, up to date address on file.

Sincerely,



Anne LaTarte

**Challenge + Arts Infusion = Transformative Opportunities**

4001 29<sup>th</sup> St. Detroit MI, 48210 • Tel 989.971.7863  
[www.lighthouseacademies.org](http://www.lighthouseacademies.org)

**Subject:** Address change

**Date:** Wednesday, February 13, 2013 11:35:39 AM Eastern Standard Time

**From:** Alyson Murphy

**To:** Anne La Tarte

Hi Anne,

Thank you for the notification of the address correction for Southwest Detroit Lighthouse Charter Academy. We will include this email and the letter you provided in the Charter Contract.

Best,

**Alyson Murphy, JD**  
Director of Governance and Compliance  
Charter Schools Office  
Grand Valley State University  
Office: 616-331-3656  
[www.gvsu.edu/cso](http://www.gvsu.edu/cso)

# Southwest Detroit Lighthouse Charter Academy

## Kindergarten – 5<sup>th</sup> Grade

4001 29<sup>th</sup> Street  
Detroit, MI 48210



The building is a one story, brick building. It has a large parking lot out front as well as a student drop off lane. There will be sufficient classrooms for at least 2 classes of students K-8 as well as a multi-purpose room (for meals, physical education, and assemblies), a music room, art room, science lab, and library/computer lab. There will be two playgrounds, one that's connected to the kindergarten rooms for younger students and a larger one in the back of the building for older students.

# **LEASE AGREEMENT**

**by and among**

**CA DETROIT 4001 29S LLC, Landlord**

**and**

**SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, Tenant**

**Dated as of: February 15, 2013**



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## LEASE AGREEMENT

LEASE (this "**Lease**") dated February 15, 2013 (the "**Effective Date**"), by and between CA DETROIT 4001 29S LLC, a Delaware limited liability company ("**Landlord**") and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, a Michigan nonprofit corporation ("**Tenant**").

### ARTICLE I Leased Premises

1.1 Ownership of Premises. Landlord is the fee owner of the parcel of land described in Exhibit A annexed hereto and made a part hereof.

1.2 Description of Premises. The "**Premises**" shall consist of the real property located at 4001 29th Street in the City of Detroit, Wayne County, Michigan (the "**Land**"), the building located on the Land ( the "**Building**"), and all fixtures and improvements located therein and thereon. In consideration of Tenant's payment of the Base Rent and Additional Rent (each as defined below) and Tenant's performance of the covenants hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby takes from Landlord said Premises.

1.3 Defined Terms.

"**AAA**" has the meaning set forth in Section 6.13.

"**Additional Rent**" has the meaning set forth in Section 3.2.

"**Alterations**" has the meaning set forth in Section 9.1.

"**Acquisition Deadline**" has the meaning set forth in Section 2.3.1.

"**Authorizer**" shall mean, on the Commencement Date, The Grand Valley State University Board of Trustees, and thereafter shall mean the charter school sponsor under Part 6a of the Revised School Code comprising Michigan Compiled Laws §§ 380.501-.507 that is, at any given time during the Term, party to the Charter School Contract with Tenant.

"**As-Built Documents**" has the meaning set forth in Section 6.7.

"**Base Rent**" has the meaning set forth in Section 3.1.

"**Budget**" means the budget developed and agreed by the Parties, in writing, as provided in Section 6.5.

"**Building**" has the meaning set forth in Section 1.2.

"**Building Systems**" has the meaning set forth in Section 11.1.1.

"**Business Days**" shall mean every calendar day Monday through Friday, inclusive, but excluding legal holidays of the United States of America and of the state where the Premises are located.

"**Capital Repair Costs**" has the meaning set forth in Section 11.2.2.



**“Charter School Contract”** has the meaning set forth in Section 4.1.1.

**“Commencement Date”** has the meaning set forth in Section 2.1.

**“Commencement Date Certificate”** has the meaning set forth in Section 2.2.

**“Confidential Information”** has the meaning set forth in Section 29.3.

**“Control”** means the full power and legal authority to direct and control the business, operations, decisions and actions of the subject person or entity.

**“Dangerous Condition”** has the meaning set forth in Section 4.2.1.

**“Department”** has the meaning set forth in Section 7.5.1.

**“Development Costs”** means all hard and soft costs (including the reasonable cost of Landlord's travel in connection with Landlord's efforts under ARTICLE VI) expended toward Landlord's Work, but not unspent contingency funds.

**“Due Care Plan”** means the “Baseline Environmental Assessment” and the “Section 7a Compliance Analysis” prepared by G2 Consulting Group, LLC and dated February 8, 2013 (including any subsequent revisions thereto) setting forth the obligations arising with respect to the Premises pursuant to Section 20107a of Part 201, Natural Resources and Environmental Protection Act, 1994 PA 451 (as amended, and including all related administrative rules, “NREPA”).

**“Effective Date”** means the date first set forth in the preamble to this Lease.

**“Event of Default”** has the meaning set forth in Section 21.1.

**“Expiration Date”** has the meaning set forth in Section 2.1.

**“Governmental Approvals”** has the meaning set forth in Section 2.3.2.

**“Guarantor”** has the meaning set forth in Section 3.5.

**“Guaranty”** has the meaning set forth in Section 3.5.

**“Hazardous Materials”** means any material or substance that is regulated from time to time by any local, state or federal law relating to environmental conditions and industrial hygiene, including, without limitation, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Hazardous Materials Transportation Act, the Federal Water Pollution Control Act, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Safe Drinking Water Act, and all similar federal, state and local environmental statutes, ordinances and the regulations, orders, or decrees now or hereafter promulgated thereunder. **“Hazardous Materials”** includes any and all material or substances that are defined as “hazardous waste,” “extremely hazardous waste,” or a “hazardous material” pursuant to Legal Requirements.

**“Insurance Requirements”** means the insurance coverages required to be maintained by Tenant pursuant to Section 8.2 and Landlord pursuant to Section 8.3, and all requirements of the insurers issuing the policies containing such coverages.

**“Interest Rate”** has the meaning set forth in Section 3.3.2.

**“Land”** has the meaning set forth in Section 1.2.

**“Landlord”** means CA Detroit 4001 29S LLC, a Delaware limited liability company.

**“Landlord Affiliate”** means any person or entity which Controls, is Controlled by, or is under common Control with Landlord.

**“Landlord’s Insurance”** has the meaning set forth in Section 8.3.1.

**“Landlord Party”** means Landlord and any Landlord Affiliate, and their respective officers, directors, shareholders, constituent partners, members, managers, principals, employees, staff, consultants, contractors, agents and professional advisors.

**“Landlord’s Property”** has the meaning set forth in Section 10.1.

**“Landlord’s Work”** has the meaning set forth in Section 6.1.

**“Lease Year”** means (i) the period beginning on the July 1 occurring nearest (whether before or after) the Effective Date and ending on the June 30 first occurring after such July 1, and (ii) every period of July 1-June 30 thereafter occurring during the Term.

**“Lease”** means this Lease Agreement.

**“Legal Requirements”** means all present and future statutes, laws, codes, regulations, ordinances, orders, rules, bylaws, administrative guidelines, requirements, directives and actions of any federal, state or local governmental or quasi-governmental authority, and other legal requirements of whatever kind or nature that are applicable to the Premises.

**“Lighthouse”** means Lighthouse Academies, Inc., a Delaware nonprofit corporation.

**“Management Agreement”** means the Development, Academic and Business Services Agreement entered into (or to be entered into) by and between Tenant and Lighthouse, a copy of which Management Agreement is attached to this Lease as Attachment 1 to Exhibit C-1.

**“Material Alterations”** has the meaning set forth in Section 9.1.2.

**“Mortgage”** has the meaning set forth in Section 14.1.

**“Non-Profit Company”** has the meaning set forth in Section 2.5.

**“OFAC”** has the meaning set forth in Section 29.7.

**“Option Agreement”** has the meaning set forth in Section 2.4.

“Party” shall mean either the Landlord Party or the Tenant Party.

“Parties” shall mean both the Landlord Party and the Tenant Party.

“Permitted Alterations” has the meaning set forth in Section 9.1.1.

“Permitted Use” has the meaning set forth in Section 4.1.1.

“Permitting Deadline” has the meaning set forth in Section 2.3.2.

“Person” shall mean any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“Plans and Specifications” has the meaning set forth in Section 6.1.

“Premises” has the meaning set forth in Section 1.2.

“Premiums” has the meaning set forth in Section 8.3.2.

“Prohibited Person” has the meaning set forth in Section 29.7.

“Punchlist Items” means (i) minor details of construction, mechanical adjustment or any other similar matter, the non-completion of which will not interfere with Tenant’s use and occupancy of the Premises for the Permitted Uses and (ii) items which, in accordance with good construction practice, must be performed after Substantial Completion of Tenant’s Improvements.

“Real Estate Taxes” has the meaning set forth in Section 5.2.

“Rent” has the meaning set forth in Section 3.2.

“Rent Commencement Date” has the meaning set forth in Section 2.1.

“Request” has the meaning set forth in Section 16.1.1.

“Specially Designated and National Blocked Person” has the meaning set forth in Section 29.7.

“Substantial Completion” and “Substantially Complete” have the meanings set forth in Section 6.4.

“Substantially Damaged” has the meaning set forth in Section 18.1.1.

“Superior Lease” has the meaning set forth in Section 14.1.

“Superior Lessor” has the meaning set forth in Section 14.1.

“Superior Mortgage” has the meaning set forth in Section 14.1.

“Superior Mortgagee” has the meaning set forth in Section 14.1.

“Successor Landlord” has the meaning set forth in Section 14.2.

**"Target Commencement Date"** has the meaning set forth in Section 6.3.

**"Tenant"** means Southwest Detroit Lighthouse Charter Academy, a Michigan nonprofit corporation.

**"Tenant Affiliate"** means any person or entity which Controls, is Controlled by, or is under common Control with Tenant.

**"Tenant Delay"** has the meaning set forth in Section 6.6.

**"Tenant's Insurance Requirements"** has the meaning set forth in Section 8.2.1.

**"Tenant Party"** means Tenant and any Tenant Affiliate, and their respective officers, directors, shareholders, constituent partners, members or principals, employees, staff, students, parents, consultants, contractors, agents and professional advisors.

**"Tenant's Removable Property"** has the meaning set forth in Section 6.12.

**"Tenant's Tax Payment"** has the meaning set forth in Section 5.1.

**"Term"** has the meaning set forth in Section 2.1.

**"Transfer Expenses"** has the meaning set forth in Section 16.1.6.

**"Unavoidable Delay"** has the meaning set forth in Section 29.5.

## ARTICLE II

### Term

2.1 Term. The term of this Lease (the **"Term"**) shall commence on the date Landlord's Work is Substantially Complete in accordance with Section 6.4 (the **"Commencement Date"**), and shall expire at 11:59 p.m. on June 30, 2042. The **"Rent Commencement Date"** of this Lease shall be the later date to occur of (i) the Commencement Date, and (ii) September 1, 2013. The **"Expiration Date"** shall mean the date of expiration of the Term or on such earlier date upon which the Term shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this Lease or pursuant to any Legal Requirements.

2.2 Commencement Date Certificate. Tenant shall, upon the request of Landlord, execute, acknowledge and deliver to Landlord an instrument in the form of the **"Commencement Date Certificate"** attached hereto as Exhibit B and otherwise in form reasonably satisfactory to Landlord confirming the Commencement Date, the Rent Commencement Date, the Expiration Date, the Base Rent and such other items as Landlord may reasonably request; *provided*, that Tenant's failure to execute, acknowledge and deliver such an instrument shall not affect the validity of the Commencement Date, the Rent Commencement Date, the Expiration Date, the Base Rent or such other items as set forth in such Commencement Date Certificate.

2.3 Right to Cancel. This Lease is expressly conditioned upon the following:

2.3.1 If, for any reason whatsoever, Landlord fails to acquire fee title to the Premises on or before February 28, 2013 (the "**Acquisition Deadline**"), then unless Landlord and Tenant mutually agree in writing to extend such date, Landlord may elect to terminate this Lease by sending written notice of such termination of this Lease within ten (10) Business Days following such Acquisition Deadline, and in such event, this Lease shall terminate and the Parties shall have no further obligations under this Lease, except for those obligations which expressly survive the termination of this Lease.

2.3.2 If, for any reason whatsoever, Landlord has not obtained approvals from all required governmental authorities on or before February 21, 2013 (the "**Permitting Deadline**"), on terms and conditions acceptable to Landlord in its sole discretion and sufficient to allow the Permitted Use at the Premises (the "**Governmental Approvals**"), Landlord may elect to terminate this Lease by sending written notice of such termination within ten (10) Business Days following such Permitting Deadline, and in such event, this Lease shall terminate and the Parties shall have no further obligations under this Lease, except for those obligations which expressly survive the termination of this Lease. Landlord shall, however, use its commercially reasonable efforts to obtain the Governmental Approvals on or before the Permitting Deadline. Notwithstanding the foregoing, Tenant acknowledges that it is solely responsible for determining whether applicable building codes, ordinances, regulations and other Legal Requirements, as well as all recorded building and use restrictions of every kind, are consistent with Tenant's use of the Premises for the Permitted Use. Accordingly, Tenant shall have no right to terminate or modify this Lease if the Premises are not suitable in any respect for the Permitted Use.

2.4 Option to Purchase. On or before the Rent Commencement Date, Landlord shall execute and deliver to Tenant and Tenant shall execute and deliver to Landlord an Option to Purchase Real Estate in the form attached hereto as Exhibit F (the "**Option Agreement**") granting Tenant (and any Tenant Affiliate to which Tenant may assign such option, according to the terms of the Option Agreement) an option to purchase the Premises in accordance with the terms and conditions of such Option Agreement. The Purchase Price set forth in the Option Agreement shall (subject to adjustments under Section 11.2 of this Lease) equal the estimated fair market value of the Premises, which the Landlord and Tenant have in good faith agreed to be (i) \$8,893,972 if the Closing Date (as defined in the Option Agreement) occurs in any of the 37<sup>th</sup> through 48<sup>th</sup> full calendar months of the Term, (ii) \$9,318,931 if the Closing Date occurs in any of the 49<sup>th</sup> through 60<sup>th</sup> full calendar months of the Term, and (iii) \$9,470,856 if the Closing Date occurs in any of the 61<sup>st</sup> through 72<sup>nd</sup> full calendar months in the Term. Landlord and Tenant acknowledge that one factor in determining the fair market value of the Premises is the Development Costs, and that the fair market values set forth above have been determined, in part, using the Budget.

On or before the later to occur of (i) the sixtieth (60th) Business Day after the Rent Commencement Date or (ii) the twentieth (20th) Business Day after Landlord shall have closed its permanent financing for the Premises—though in no instance later than the three hundred sixtieth (360th) Business Day after the Rent Commencement Date—Landlord shall notify Tenant of the actual Development Costs, and if the actual Development Costs differ from the Budget, the agreed fair market values of the Premises as set forth above shall be increased or decreased to amounts that reflect the estimated fair market value of the Premises for each applicable period set forth above, taking into account such actual Development Costs; provided, however, that the amount by which the new adjusted fair market value in each case is greater than or less than the estimated fair market value originally set forth above shall not exceed the aggregate amount by

which the actual Development Costs are greater than or less than the Budget. If Tenant shall disagree with or dispute the actual Development Costs indicated in Landlord's notice, the Parties shall use their reasonable best efforts to settle the disagreement or dispute. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both Parties. If, however, the Parties do not reach such solution within a period of ten (10) Business Days after Landlord delivers its notice of actual Development Costs then, (i) upon written notice to arbitrate by either Party delivered to the other within five (5) Business Days after the end of the ten (10) Business-Day negotiating period, all such disagreements and disputes shall be finally settled according to the dispute resolution provisions set forth in Section 6.14 of this Lease, or (ii) if neither Party timely delivers the requisite notice to arbitrate within such five (5) Business Days, then Landlord's notice to Tenant of actual Development Costs shall be conclusive.

2.5 Non-Profit Status. Notwithstanding anything herein to the contrary, if Tenant (or any successor or assignee of Tenant) shall at any time during the Term cease to be an organization qualifying for an exemption from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code (a "**Non-Profit Company**"), or if this Lease is assigned, transferred or subleased, by operation of law or otherwise, to an entity which is not a Non-Profit Company, Landlord shall have the right to terminate this Lease without further liability or obligation to Tenant by providing Tenant with twenty (20) Business Days prior written notice, provided, however, that in the event of Tenant's failure to qualify as a Non-Profit Company (but not in the event of an assignment or sublease to a Non-Profit Company), if before the effective date of termination of this Lease, Tenant cures such failure and again qualifies as a Non-Profit Company, Landlord's termination notice shall be revoked and null and void and this Lease shall continue in full force and effect subject to the terms and conditions of this Lease, including Landlord's rights under this Section 2.5. Tenant (or any successor or assignee of Tenant) shall notify Landlord in writing immediately upon losing its status as a Non-Profit Company, or upon learning or determining that such status may be in jeopardy.

### ARTICLE III

#### Base Rent, Security Deposit and Guaranty

3.1 Base Rent. The fixed annual rent (the "**Base Rent**") shall be paid commencing on the Rent Commencement Date and thereafter in monthly installments in advance on the first Business Day of each and every calendar month during the Term as set forth on Exhibit H attached to and made a part of this Lease, subject to adjustment pursuant to Section 3.6, if applicable.

#### 3.2 Additional Rent.

3.2.1 The Base Rent shall be net to Landlord, except as expressly provided otherwise in this Lease, so that all impositions, insurance premiums, utility charges, maintenance, repair and replacement expenses, payments or charges under covenants, conditions and restrictions now or hereafter of record, all expenses relating to compliance with Legal Requirements, capital replacements, and all other costs, fees, charges, expenses, reimbursements and obligations of every kind and nature whatsoever relating to the Premises (excepting only Landlord's obligations expressly set forth in this Lease) which may arise or become due to Landlord or third parties during the Term or by reason of events occurring during the Term of this Lease shall be paid or discharged by Tenant, at Tenant's sole cost and expense (all charges

payable by Tenant other than Base Rent, however denoted, are hereinafter collectively referred to as "Additional Rent"). Base Rent and Additional Rent are sometimes hereinafter collectively referred to as "Rent" or "Rents."

3.2.2 Together with, and in addition to, any payment of Rent or other sum(s) payable to or for the benefit of Landlord under this Lease, Tenant shall pay to Landlord, further as Additional Rent, a sum equal to the aggregate of any excise, sales, occupancy, franchise, privilege, rental, or transaction privilege tax on, or of any similar tax now or in the future levied, assessed, or imposed by any governmental authority upon, Landlord or the Premises as a result (and to the extent) of payments comprising Rent under this Lease, or as a result of Tenant's use or occupancy of the Premises.

### 3.3 Payment of Rent.

3.3.1 Tenant covenants and agrees to pay Base Rent and Additional Rent. Tenant shall pay the Base Rent and Additional Rent promptly when due without notice or demand therefor and without any abatement, deduction or set off for any reason whatsoever unless expressly provided in this Lease.

3.3.2 In addition to any other remedies Landlord may have under this Lease, if any Base Rent or Additional Rent payable hereunder to Landlord is not paid within five (5) Business Days after the due date therefor, Tenant shall pay to Landlord an administrative fee equal to 5% of the overdue payment and, in addition, such overdue payment shall bear interest at the rate of ten percent (10%) per annum (the "Interest Rate") from the due date thereof until paid, and the amount of such interest shall be Additional Rent.

3.3.3 If the Rent Commencement Date or the Expiration Date occurs on a day other than the first day of a calendar month, the Base Rent and all Additional Rent for the partial calendar month in which the Rent Commencement Date or the Expiration Date occurs shall be prorated and the Base Rent for the partial calendar month in which the Rent Commencement Date occurs shall be paid on the Rent Commencement Date.

3.3.4 No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the Base Rent or Additional Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance or pursue any other remedy in this Lease or at law provided.

3.3.5 Tenant's failure to pay Additional Rent shall be considered a failure to pay Base Rent hereunder and Landlord shall be entitled to all rights and remedies provided herein and by law in connection therewith.

### 3.4 Subordination of Management Agreements.

3.4.1 Tenant acknowledges that the Lease (including all renewals, extensions, modifications, or amendments of or to the Lease) shall at all times be superior to all rights of Lighthouse to receive any fee or services payment of any kind under the Management Agreement (including, without limitation, the "Service Fee" defined thereunder). Accordingly, the

Management Agreement shall be, and is, subject, subordinate, and inferior to the Lease, and to all renewals, extensions, modifications, or amendments of the Lease; the terms of the Lease (and of the subordination agreement required under Section 3.4.2, below) shall govern the rights of Landlord notwithstanding any contrary provision of the Management Agreement; and no fee or services payment of any kind due or owing under the Management Agreement may be paid by Tenant or Subtenant to Lighthouse until any and all amounts then due or owing under the Lease shall have been paid to Landlord. Notwithstanding the foregoing, Tenant may reimburse Lighthouse for Lighthouse's out-of-pocket expenses, advancements, fees, or loans incurred under Sections 2.25, 7.4, 7.7, and 7.8 of the Management Agreement notwithstanding that certain amounts may then be due or owing to Landlord under the Lease.

3.4.2 On or before the Effective Date, Tenant shall cause Lighthouse to deliver to Landlord a Subordination of Management Agreement, duly executed by Lighthouse and in substantially the form of the agreement set forth on Exhibit C-1 attached to and made a part of this Lease, by which Lighthouse shall subordinate all of its right, title, and interest in and to the Management Agreement to the rights of Landlord under the Lease, including (without limitation) to the rights of Landlord to receive payment of Rent and of all other sums due or owing under the Lease.

3.5 Lease Guaranty. Lighthouse (the "**Guarantor**") shall provide a lease guaranty ("**Guaranty**") in accordance with the terms and conditions of the Guaranty annexed hereto as Exhibit C-2.

3.6 Adjustment of Base Rent Upon Substantial Completion of Landlord's Work. Landlord and Tenant acknowledge that one factor in determining the fair rental value for the Premises under this Lease is the total Development Costs, and that the Base Rent set forth above has been determined, in part, using the Budget. Accordingly, on or before the later to occur of (i) the sixtieth (60th) Business Day after the Rent Commencement Date or (ii) the twentieth (20th) Business Day after Landlord shall have closed its permanent financing for the Premises—though in no instance later than the three hundred sixtieth (360th) Business Day after the Rent Commencement Date—Landlord shall notify Tenant of the actual Development Costs, and if the actual Development Costs differ from the Budget, Landlord shall provide Tenant with an amendment to this Lease setting forth a revised schedule of Base Rent, which shall be determined by increasing or decreasing the Base Rent set forth in Section 3.1 above during the Term by such amounts as may be reasonably required, as determined by Landlord in good faith, in order to ensure that Landlord receives the same rate of return on its capital investment in the Premises as it would have received had the actual Development Costs been equal to the Budget. Upon receipt of Landlord's good faith estimate of revised Base Rent by Tenant, Tenant shall have ten (10) Business Days to (i) make its own determination of final Development Costs and increased or decreased Base Rent based upon actual Development Costs, and (ii) deliver to Landlord written notice of Tenant's own determination of final Development Costs and adjustment to Base Rent. If Tenant's calculation of adjusted Base Rent shall deviate from Landlord's calculation by a factor of less than ten percent (10%), then Landlord's determination of the final Development Costs and Base Rent shall be binding upon the Parties. If Tenant's calculation of increased or decreased Base Rent shall deviate from Landlord's calculation by a factor of ten percent (10%) or more, however, then the Parties shall use their reasonable best efforts to settle the deviation. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both Parties. If, however, the Parties do not reach such solution within a period of ten (10) Business Days after Tenant



delivers to Landlord written notice of Tenant's own determination of final Development Costs and adjusted Base Rent, then, (i) upon written notice to arbitrate by either Party delivered to the other within five (5) Business Days after the end of the ten (10) Business-Day negotiating period, all such disagreements and disputes shall be finally settled according to the dispute resolution provisions set forth in Section 6.14 of this Lease, or (ii) if neither Party timely delivers the requisite notice to arbitrate within such five (5) Business Days, then Landlord's notice to Tenant of actual Development Costs shall be conclusive. Once settled, the Parties shall execute an amendment to this Lease setting forth a revised schedule of Base Rent.

#### ARTICLE IV Use and Conduct of Business in Premises

##### 4.1 Use.

4.1.1 Tenant shall use and occupy the Premises for the operation of the "Southwest Detroit Lighthouse Charter Academy" a Michigan public school academy authorized pursuant to the Charter School Contract (as defined below), and for associated supporting activities (including but not limited to specials rooms, multi-purpose rooms, administration, cafeteria, nurse's office, science laboratories, gymnasium, locker rooms, arts and crafts, ceramics, before-care, after-care, tutoring, enrichment and enhancement programs, and the like) consistent with operation of the charter school authorized pursuant to the Charter School Contract (the "**Permitted Use**"), and for no other purpose whatsoever without the prior written consent of Landlord. Tenant shall maintain in good standing and in full force and effect the Contract to Charter a Public School Academy and Related Documents issued by The Grand Valley State University Board of Trustees issued to Southwest Detroit Lighthouse Charter Academy Confirming the Status of Southwest Detroit Lighthouse Charter Academy as a Public School Academy (the "**Charter School Contract**"), issued under Michigan Compiled Laws § 380.503 and dated as of July 1, 2013, and shall take all actions necessary to renew such charter during the Term of this Lease.

4.1.2 Tenant acknowledges the following: (i) that it has reviewed all zoning ordinances, land use restrictions, and similar limitations affecting the Premises, as well as all agreements entered into under the same; (ii) that all such ordinances, restrictions, limitations and agreements constitute Legal Requirements with which Tenant shall comply according to the terms of this Lease; and (iii) that Tenant's failure or inability, at any time after the Commencement Date, to comply with such ordinances, restrictions, limitations and agreements shall not give rise to any right in Tenant to terminate this Lease. Furthermore, if, after the Commencement Date, any governmental license, certificate, approval, or permit, including without limitation, the Charter School Contract, shall be required for the proper and lawful conduct of the Permitted Use in the Premises or any part thereof pursuant to any Legal Requirement, Tenant, at its sole cost and expense, shall diligently and duly procure and thereafter maintain such licenses, certificates, approvals, permits and Charter School Contract during the Term hereof, and Tenant shall submit such licenses, certificates, approvals, permits and Charter School Contract (and all applications therefor) to Landlord for inspection promptly upon request. Landlord agrees to cooperate with Tenant, at no cost, expense or liability to Landlord, in connection with Tenant so procuring all such licenses certificates, approvals, permits and Charter School Contract. Tenant shall at all times during the Term hereof comply with the terms and conditions of each such license, certificate, approval, permit and Charter School Contract. If Tenant fails, for any or no reason

whatsoever, to obtain any or all licenses, certificates, approvals, permits or Charter School Contract necessary for the operation of Tenant's business at the Premises as required by this Lease, such failure shall not affect, reduce or diminish Tenant's obligations under this Lease. Notwithstanding the foregoing, the Parties expressly hereby agree that Tenant's acknowledgement and obligations hereunder shall not be deemed in any way to diminish Landlord's obligations under Section 6.4 of this Lease,

4.1.3 Tenant shall not use or permit the use of the Premises or any part thereof in any way which would violate any (i) the Certificate of Occupancy for the Premises or the Building, (ii) the Charter School Contract, (iii) the Governmental Approvals, or (iv) any Legal Requirements, and Tenant shall not suffer or permit the Premises or any part thereof to be used in any manner or anything to be done therein or anything to be brought into or kept therein which would in any way impair the proper and efficient heating, cleaning or other servicing of the Building or the Demised Premises. Neither shall Tenant commit or suffer to be committed any waste at the Premises.

#### 4.2 Hazardous Materials.

4.2.1 Tenant represents, warrants and covenants that during the Term of the Lease it shall not use nor cause to be used nor store any Hazardous Materials within the Premises or dispose of any Hazardous Materials at or from the Premises which violates applicable Legal Requirements and Insurance Requirements governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. In addition, Tenant shall notify Landlord, within twenty-four (24) hours of obtaining knowledge thereof, of any release of Hazardous Materials on the Premises. Nothing herein shall prohibit Tenant from (i) using cleaning fluid and supplies customarily used in school facilities, (ii) chemicals and other laboratory materials customarily used in science labs, (iii) medical office supplies, medical equipment, pharmaceuticals and first aid kits customarily stored and used in school nurse's offices, and (iv) arts and crafts materials customarily used in school facilities, any of which may constitute Hazardous Materials but which are customarily present in schools; *provided* that such use and storage in the Premises is in strict compliance with Legal Requirements and all such Hazardous Materials are removed from the Premises on or before the expiration or sooner termination of the Lease. Upon request by Landlord, Tenant shall submit to Landlord annual reports regarding Tenant's use, storage, and disposal of any of the Hazardous Materials, such reports to include information regarding continued Hazardous Materials inspections, personal interviews, and federal, state and local agency listings. In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's reasonable request concerning Tenant's best knowledge and belief regarding the presence or absence of Hazardous Materials on the Premises. Tenant shall keep the Premises free from mold, mildew, asbestos, lead based paint and any and all other bacteria, fungi, substances and materials in quantities or concentrations that have been found to be harmful to the health or safety of any occupants of the Premises (any of the same being a "**Dangerous Condition**"). If Tenant becomes aware of any Dangerous Condition coming into existence after the Commencement Date of the Term, Tenant shall immediately notify Landlord of such and shall initiate and thereafter diligently prosecute to completion all actions necessary pursuant to Legal Requirements to investigate, assess, respond to, remove, abate, contain, encapsulate, sample, clean up, monitor or remediate such Dangerous Condition. All of the foregoing work shall be performed at Tenant's sole cost and expense, in a first-class, workmanlike manner and in compliance with all requirements of Legal Requirements.

Tenant shall provide Landlord advance notice of any activities to be undertaken by Tenant pursuant to this paragraph, and shall keep Landlord apprised of the progress and results of same.

4.2.2 In addition, Tenant shall, at all times during the Term, carry out all measures reasonably necessary to assure that the Premises shall remain in full and timely compliance with the Due Care Plan, and so shall undertake all acts and measures reasonably necessary to assure and maintain the same.

4.2.3 Tenant shall, in accordance with all Legal Requirements and to Landlord's reasonable satisfaction, remove any and all Hazardous Materials placed in the Premises by Tenant or by its agents, invitees, employees or its contractors, and Tenant shall be responsible for all costs including, but not limited to, those resulting from monitoring, clean-up or compliance in accordance with all Legal Requirements incurred with respect to any Hazardous Materials placed in the Premises during installation of Tenant's Removable Property and after the Commencement Date, and shall be responsible for all such costs incurred with respect to any Hazardous Materials placed in, on or under the Premises by Tenant or its agents, invitees, employees or contractors. Tenant shall indemnify and hold Landlord and each other Landlord Party harmless from and against any and all costs, claims, suits, causes of action, losses, injuries or damage, including without limitation, personal injury damage (including death) as well as damage to property as well as any and all sums paid for settlement of claims, reasonable attorney's fees, consultant and expert fees arising during the Term as a result of a breach of this ARTICLE IV or resulting from the presence or removal of Hazardous Materials from the Premises.

## ARTICLE V Real Estate Taxes

5.1 Obligation to Pay Real Estate Taxes. Tenant shall pay one hundred percent (100%) of all Real Estate Taxes ("**Tenant's Tax Payment**") that shall become due and payable during the Term of the Lease as Additional Rent, paying the same directly to the applicable taxing authority at least five (5) Business Days before the date such taxes are due and payable. Landlord shall pay all Real Estate Taxes attributable to any period before the Rent Commencement Date and after the expiration or termination of the Lease. Landlord shall give notice to Tenant of all Real Estate Taxes payable by Tenant hereunder of which Landlord at any time has knowledge within ten (10) Business Days after receipt of notice thereof.

5.2 Real Estate Taxes Defined. The term "**Real Estate Taxes**" shall mean all real estate taxes and assessments, government levies, municipal taxes, county taxes and assessments (whether general or special, ordinary or extraordinary, unforeseen or foreseen) and gross receipts and rental taxes incurred in the use, occupancy, ownership, operation, leasing or possession of the Premises, which are or may be assessed, levied or imposed, less any credit or abatement applicable thereto, including all credits or discounts allowed for early payments, whether or not such early payment is actually made. Except as specifically provided under Section 3.2.2, Real Estate Taxes shall not include: (i) any municipal, state or federal net income or excess profits taxes assessed against Landlord, or any municipal, state or federal capital levy, estate, capital gain, succession, inheritance or transfer taxes of Landlord, or corporation franchise taxes imposed upon Landlord or any owner of the fee of the Premises (except that any gross receipts tax and any rental tax shall be considered Real Estate Taxes); (ii) any correction of or supplement to any tax or assessment for any period before the Commencement Date; (iii) penalties incurred as a result of Landlord's negligence, inability or unwillingness to make Real Estate Tax payments or to file any

tax or informational returns when due (unless such penalties result from Tenant's failure to make timely payment of Real Estate Taxes); or (iv) water and sewer fees and utility charges required to be paid by Tenant pursuant to any other provisions of this Lease. In the event of a special assessment for any public or private improvement, the life of which extends beyond the Term, the assessment for such improvement, and Tenant's Tax Payment shall only include the amortized portion over the life of the improvement, and Tenant's Tax Payment shall only include the amortized portion of such assessment for each Lease Year during the Term. Tenant agrees to pay any Real Estate Taxes sufficiently in advance to achieve any available discounts or other savings. All assessments which may be paid in installments shall be paid by Tenant in the maximum number of installments permitted by law and not included in Real Estate Taxes except in the year in which the assessment is actually paid on a cash (non-accrual) basis.

5.3 Apportionment for Partial Year. Landlord and Tenant shall adjust pro rata the Real Estate Taxes for and with respect to any portion of the Term which does not include an entire fiscal tax year.

5.4 Right to Seek Exemption. If the Premises are (or during the Term become) eligible for exemption from Real Estate Taxes under controlling Legal Requirements, then the Parties shall cooperate to apply for and obtain any exemption from Real Estate Taxes for which the Premises may qualify. In connection with such efforts, Landlord shall deliver to Tenant any documents and other information currently within Landlord's possession or under its control, prepare and execute such other documents, and generally take such further reasonable measures as may be required to enable or obtain such exemption. Without limiting the foregoing, Landlord expressly covenants that, if necessary to enable or obtain such exemption, Landlord shall also exercise reasonable efforts to cooperate with Tenant to restructure certain pertinent conveyances of interests in the Premises as needed to optimize the likelihood of enabling or obtaining such an exemption. Landlord shall bear the ordinary cost of such reasonable efforts, but shall be entitled to reimbursement from Tenant for costs incurred in connection with any extraordinary measures pursued hereunder. Finally, Landlord agrees to cooperate with Tenant, at no cost, expense or liability to Landlord, to execute any documents required to be executed by the owner of the Premises for Tenant to obtain any other tax exemption credits, refunds or abatement.

5.5 Right to Contest. Tenant shall have the right, at Tenant's sole cost and expense, to contest the validity or amount of the assessed valuation or Real Estate Taxes for any real estate fiscal tax year, by appropriate proceedings in the name of Landlord or Tenant, or both, provided that the Premises are not by reason of such contest placed in jeopardy of any tax or similar foreclosure proceeding. Within a reasonable time after demand therefor, Landlord shall execute and deliver to Tenant any documents and other information reasonably required to enable Tenant to prosecute any such proceeding, and Landlord shall use commercially reasonable efforts to provide Tenant, in time to permit Tenant to undertake such contest, with all pertinent data required therefor. Any credit, refund or abatement of Real Estate Taxes relating to any period subsequent to the Rent Commencement Date and before the expiration of earlier termination of this Lease shall belong to and be paid to Tenant. Tenant shall indemnify and hold Landlord and all Landlord Parties harmless from any against all loss, cost liability or expense arising from or in any way related to Tenant's contest of Real Estate Taxes.

5.6 Personal Property Taxes. Tenant shall be liable for and shall pay, at least ten (10) Business Days before delinquency, all taxes levied against Tenant's equipment, furniture, fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's

equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property, or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property of Tenant, and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof (but under protest only if requested by Tenant), then Tenant shall, within twenty (20) Business Days after receiving notice thereof, repay to Landlord (as Additional Rent) the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.

## ARTICLE VI

### Landlord's Work; Delivery of Possession; Commencement Date; Tenant's Installations

6.1 Landlord's Work. Landlord shall, at Landlord's sole expense, acquire title to the Premises and commence and exercise all reasonable efforts to cause to be completed the improvements described in the Development Summary annexed hereto as Exhibit D and shown in the schematic plans identified on Exhibit E annexed hereto (collectively, the "**Plans and Specifications**"). The acquisition of the Premises and the construction and completion of the improvements described in the Plans and specifications is referred to herein as "**Landlord's Work**".

6.2 Intentionally Omitted.

6.3 Construction of the Landlord's Work. Landlord's Work shall be constructed (i) in a good and workmanlike manner substantially in accordance with the Plans and Specifications, (ii) in compliance in all material respects with all Legal Requirements and Insurance Requirements, (iii) in compliance in all material respects with all covenants, conditions and restrictions encumbering the Premises, and (iv) such that no building, structure or improvement shall encroach upon or under the property of any other person or entity. Furthermore, Landlord's Work shall include making available at the Premises such utility services (including, without limitation, water, sewer, electricity, natural gas and telephone service) as are required by Tenant and are readily available at or near the boundary of the Premises. Landlord shall use reasonable efforts to achieve Substantial Completion of Landlord's Work on or before August 1, 2013 (the "**Target Commencement Date**"). If for any reason Landlord cannot deliver possession of the Premises to Tenant and achieve Substantial Completion on or before the Target Commencement Date, Landlord shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or the obligations of Tenant hereunder or extend the Term, but in such case, Tenant shall not be obligated to pay Rent or perform any other obligation of Tenant under the terms of this Lease, except as may be otherwise provided in this Lease, until the Rent Commencement Date.

6.4 Substantial Completion of Landlord's Work. "**Substantial Completion**" of Landlord's Work shall be deemed to have occurred and Landlord's Work shall be deemed "**Substantially Complete**" when (i) all governmental inspections required for the Landlord's Work have been successfully completed and temporary or permanent Certificates of Occupancy (or its equivalent) and other municipal permits or approvals for Premises have been obtained, in each case if and to the extent required for Tenant to occupy and use the Premises for the Permitted Use, and (ii) Landlord's Work is completed in all material respects in accordance with the Plans and Specifications (except for any Punchlist Items) so that Tenant can commence beneficial use

and occupancy of the Premises as intended. Landlord shall exercise commercially reasonable efforts to complete the Punchlist Items as soon as conditions reasonably permit, and Tenant shall afford Landlord access to the Premises for such purposes; provided, however, without Tenant's permission, Landlord shall not perform any construction during any time that school is in session and students are on the Premises. Within ten (10) Business Days after Substantial Completion, Landlord and Tenant shall conduct a walkthrough of the Premises and jointly prepare a list of Punchlist Items. Without limitation of the foregoing, if any of Landlord's Work is delayed in order to accommodate the installation of furniture and equipment by Tenant including, without limitation, Tenant's Removable Property or by any other Tenant Delay, then Landlord's Work shall be deemed Substantially Complete on the date on which it would have occurred but for such accommodation or other Tenant Delay. Tenant shall give Landlord notice, not later than two (2) calendar months after the Commencement Date of any respects in which Landlord has not completed the Punchlist Items in accordance with the terms of this Lease. Except as identified in any such notice from Tenant to Landlord, Tenant shall have no right to make any claim that Landlord has failed to complete the Punchlist Items in accordance with the terms of this Lease or to require Landlord to perform any further work. Upon timely request by Tenant and at Tenant's sole expense, Landlord agrees to use commercially reasonable efforts to enforce any warranties that may be applicable to Landlord's Work, and to assign such warranties (to the extent they remain in force) to Tenant upon transfer of the Premises to Tenant pursuant to the Option Agreement.

6.5 Budget. Landlord and Tenant have approved a budget for the Development Costs, including a contingency of 10% of all such Development Costs (the "**Budget**"), a copy of which is attached hereto as Schedule E-1. The aggregate amount of the Budget is currently \$7,463,773. In no event may Landlord be required to incur costs (including, without limitation, hard and soft costs) associated or in connection with the Landlord's Work which will cause the Development Costs to exceed the Budget. If at any point it becomes apparent that the Landlord's Work will cause the Development Costs to exceed the Budget, Landlord and Tenant shall meet, consult and negotiate with each other in good faith about reducing the scope of the Landlord's Work so that the Budget will not exceed the Budget Amount; provided, however, that if Landlord and Tenant are unable to agree on such scope reduction within five (5) Business Days after the date Landlord notifies Tenant of the need to do so, the determination shall be made by Landlord within one (1) Business Day after such five (5) Business Day period.

6.6 Tenant Delay. If the Substantial Completion of Landlord's Work shall be delayed as the result of (i) any request by Tenant that Landlord delay the commencement or completion of Landlord's Work for any reason; (ii) any change in any of the Plans and Specifications requested by Tenant; (iii) any change in scope pursuant to Section 6.5 above; (iv) any interference by Tenant (including, without limitation, any delay associated with Tenant's early access pursuant to the Premises pursuant to Section 6.9 or otherwise) with Landlord's Work; (v) any other act or omission of Tenant or its officers, agents, employees or contractors; or (vi) any reasonably necessary displacement of any of Landlord's Work from its place in Landlord's construction schedule resulting from any of the causes for delay referred to in this Section 6.6 and the fitting of such Landlord's Work back into such schedule (each a "**Tenant Delay**"); then the Substantial Completion of Landlord's Work, as determined pursuant to Section 6.4, shall be deemed to have occurred on the date it would have otherwise occurred absent the Tenant Delay. If a delay in Substantial Completion of Landlord's Work under Section 6.4 shall occur as a result of an Unavoidable Delay, and such Unavoidable Delays would not have occurred but for a Tenant Delay, such Unavoidable Delay shall also constitute Tenant Delay.

6.7 As-Built Documents. Landlord shall (or shall cause Landlord's contractor or other agent to) maintain a record of the drawings, specifications, addenda, change orders, change directives and other modifications, and marked currently to record field changes and selections made during construction (the "As-Built Documents"). If such As-Built Documents shall be provided to Landlord in electronic format(s), Landlord shall (or shall cause Landlord's contractor or other agent to) provide copies thereof to Tenant, in electronic format(s), upon Tenant's written request for the same.

6.8 Possession of Premises. Tenant shall not be liable to Landlord for the payment of Base Rent or Additional Rent or the payment of any other obligation to be paid by Tenant under this Lease until the Rent Commencement Date. The entry by Tenant for the purpose of inspection or installation of Tenant's Removable Property shall not be considered occupancy for purposes of this Lease and shall not trigger Tenant's obligation to pay Rent under this Lease.

6.9 Tenant's Installations. Before the Commencement Date, Landlord shall reasonably cooperate with Tenant, at no cost to Landlord, to facilitate Tenant's installation of Tenant's Removable Property. The following shall be conditions of Tenant's right to enter the Premises as provided herein before the Commencement Date: (i) that such entry shall not interfere with construction of Landlord's Work; and (ii) any that such entry shall be subject to such rules and regulations as Landlord may reasonably promulgate and Tenant shall fully cooperate with Landlord.

6.10 Tenant's Insurance for Tenant's Removable Property. Tenant shall secure and maintain, at its own expense, the following insurance coverage in full force and effect with respect to the Premises at all times during the design, construction and installation of Tenant's Removable Property and shall require any and all contractor(s) and all subcontractors to maintain the same at all times during the design, construction and installation of Tenant's Removable Property:

6.10.1 property insurance written on an "all risk" builders risk or equivalent policy form for the full replacement cost of Tenant's Removable Property and with deductibles not in excess of commercially reasonable amounts; and

6.10.2 Commercial General Liability insurance on an occurrence basis with a combined limit for bodily injury, personal injury and property damage and products and completed operations of at least \$1,000,000 per occurrence. The limit may be provided through a combination of primary and umbrella/excess liability policies. Limits shall apply on a per project basis. The policy shall include the Landlord and, if requested by Landlord, Landlord's lender as additional insureds.

6.10.3 Worker's Compensation insurance to the extent required, and in the amounts required by applicable Legal Requirements covering Tenant and its employees, as well as employer's liability insurance in the amount of \$1,000,000 per accident, \$1,000,000 per illness (per employee), and \$1,000,000 per illness (aggregate). If borrowed employees are used (including employees from a temporary employment agency) to perform services, the insured shall require the primary employer to provide an alternate employer endorsement showing the insured in the schedule as the alternate employer. The Worker's Compensation policies shall contain a waiver of subrogation provision requiring the insurance carriers to waive all rights against Landlord, all other Landlord Parties, and any lender.



6.10.4 Commercial Automobile Liability insurance on all owned, hired or non-owned vehicles used in connection with Tenant and/or its contractors or subcontractors' operations in the amount of \$1,000,000 combined single limit for bodily injury and property damage. The coverages must extend to employees, agents, and volunteers of Tenant and/or its contractors and subcontractors who use personal vehicles within the course and scope of their employment or service.

6.11 Tenant's Indemnity for Tenant's Installations. Tenant shall indemnify and hold harmless Landlord and all other Landlord Parties from and against all claims, damages, losses and expenses, including reasonable attorneys' fees, arising out of or resulting from the installation of Tenant's Removable Property, to the extent caused by any act or omission of Tenant or Tenant's contractor(s), any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, and which involves bodily injury, sickness, disease or death, or injury to or destruction of property, including the loss of use resulting therefrom. In any and all claims against Landlord or any other Landlord Party, by any Tenant Party, the indemnification obligation under this Section 6.11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant or such Tenant Party under workers' compensation acts, disability benefit acts or other employee benefit acts.

6.12 Tenant's Removable Property. All articles of personal property and all business and trade fixtures, machinery, workstations, equipment, furniture and other property and equipment installed or placed by Tenant in the Premises (whether affixed or unaffixed to the Premises), owned and used by Tenant for the Permitted Use ("**Tenant's Removable Property**") shall remain the property of Tenant and may be removed by Tenant at any time on or before the date of expiration of this Lease in accordance with the provisions of ARTICLE X of this Lease; *provided* Tenant restores any damage caused by such removal.

6.13 Dispute Resolution. If the Parties shall disagree with respect to any matter covered in this ARTICLE VI, and the Parties are unable to reach agreement thereon within five (5) Business Days, such dispute may be submitted by either Party to arbitration for expedited proceedings under the Fast Track Procedures provisions (currently, Rules F-1 through F-13) of the Arbitration Rules of the Construction Industry of the American Arbitration Association (the "AAA"), with both Parties agreeing to waive the \$75,000 qualification in such rules. In any case where the Parties utilize such expedited arbitration: (i) the Parties may not object if the arbitrator so appointed was on the list submitted by the AAA and was not objected to in accordance with Rule F-4 (except that any objection shall be made within five (5) Business Days from transmission of the list), (ii) the Notice of Hearing shall be given at least ten (10) Business Days in advance of the hearing, (iii) the first hearing shall be held within ten (10) Business Days after the appointment of the arbitrator, and (iv) each Party in such arbitration shall pay its own attorneys' fees and other costs of such arbitration and the losing Party shall pay the costs charged by the AAA and/or the arbitrator. Judgment upon any award rendered in any arbitration held pursuant to this Section 6.13 may be entered in any court having jurisdiction, and in connection therewith, the arbitrators shall be bound by the provisions of this Lease, and shall not add to, subtract from or otherwise modify such provisions. Prior written notice of application by either Party for arbitration shall be given to the other at least ten (10) Business Days before filing of any demand for arbitration hereunder. Any award of an arbitrator rendered hereunder shall be subject to confirmation and entry of judgment thereon in any court of competent jurisdiction sitting in Wayne County, Michigan, and the Parties hereby consent to the jurisdiction of such court. The



costs and administration expenses of each arbitration hereunder and their apportionment between the Parties shall be borne equally by the Parties, and each Party shall be responsible its own attorneys' fees and expert witness fees. In connection with the foregoing, it is expressly understood and agreed that the Parties shall continue to perform their respective obligations under this Lease during the pending of any such arbitration proceeding hereunder (with any adjustments or reallocations to be made on account of such continued performance as determined by the arbitrator in his or her award).

## ARTICLE VII Compliance with Legal Requirements; Reporting Requirements and Covenants

7.1 Landlord's Compliance with Legal Requirements; Reporting Requirements and Covenants. As of the Commencement Date, Landlord shall deliver the Premises to Tenant with the Premises and Landlord's Work (to the extent then completed) in compliance in all material respects with applicable Legal Requirements.

7.2 Notices. Tenant shall give prompt notice to Landlord of any notice it receives of the violation of any Legal Requirement with respect to the Premises or the use or occupation thereof.

7.3 Tenant's Compliance with Legal Requirements. Tenant shall throughout the Term of this Lease, at Tenant's sole cost and expense, promptly comply or cause compliance with or remove or cure any violation of any and all Legal Requirements, whether or not such compliance requires work which is structural or non-structural, ordinary or extraordinary, foreseen or unforeseen, unless due to Landlord's breach of its obligations hereunder. Without limiting the generality of the foregoing, it is specifically agreed that Tenant shall comply with all Legal Requirements and Insurance Requirements that require the installation, modification, addition, change, alteration, repair, replacement or maintenance of any fire-rated partition, gas, smoke, or fire or smoke detectors or heat sensors or alarm or any sprinkler, fire extinguishers or other system to extinguish fires. However, Tenant need not comply with any such Legal Requirements so long as Tenant shall be contesting the validity thereof, or the applicability thereof to the Premises, in accordance with Section 7.4.

7.4 Contest of Legal Requirement. Tenant, at its expense, after notice to Landlord, may contest, by appropriate proceedings prosecuted diligently and in good faith, the validity, or applicability to the Premises, of any Legal Requirement; *provided* that (i) Landlord shall not be subject to criminal penalty or to prosecution for a crime, or any other fine or charge, nor shall the Premises or the Building, or any part thereof, be subject to being condemned or vacated, nor shall the Building or Premises, or any part thereof, be subjected to any lien or encumbrance, by reason of non-compliance or otherwise by reason of such contest; (ii) before the commencement of such contest, Tenant shall furnish to Landlord security in amount, form and substance satisfactory to Landlord and shall indemnify Landlord against the cost thereof and against all liability for damages, interest, penalties and expenses (including reasonable attorneys' fees and expenses), resulting from or incurred in connection with such contest or non-compliance; (iii) such noncompliance or contest shall not prevent Landlord from obtaining any permits, certificates of occupancy, licenses, amendments or renewals thereof in connection with the operation of or alterations to the Building; and (iv) Tenant shall keep Landlord advised as to the status of such proceedings. Tenant shall indemnify and hold Landlord and all Landlord Parties harmless from

and against all lost, cost, liability and expense arising from or in any way related to Tenant's contest of any Legal Requirement.

7.5 Reporting Requirements; Financial Covenants. Tenant shall maintain and make available to Landlord proper books of records and accounts reflecting all of its operations, with full, true, and correct entries of all of its dealings made substantially in accordance with practices generally used for public school accounting in the State of Michigan.

7.5.1 Without in any way limiting the foregoing, Tenant shall during the Term deliver the following documents to Landlord at the times specified therein:

(a) A signed copy of the Charter School Contract contemporaneously with the execution of this Lease;

(b) A signed copy of any subsequent modification or amendment to the Charter School Contract within ten (10) Business Days after the such modification or amendment is executed by the Authorizer and Tenant;

(c) Copies of any material notices received from the Authorizer and concerning, or issued in connection with, the Charter School Contract within ten (10) Business Days after receipt by Tenant;

(d) Copies, not less than ten (10) Business Days in advance of the scheduled meeting, of any notice(s) of any meeting(s) that shall be conducted by Tenant, in any part, as an open meeting under Michigan Compiled Laws §§ 15.261-.275;

(e) Copies of all enrollment reports that Tenant may submit to the Michigan Department of Education (the "**Department**"), simultaneously with submission thereof to the Department;

(f) Copies of all audited financial statements, audit reports (including financial, enrollment, participation, eligibility, and other audits of all kinds), and auditor management letters that Tenant must submit to the Authorizer under the Charter School Contract, simultaneously with submission thereof to the Authorizer; and

(g) Copies of all school calendars that Tenant must submit to the Authorizer under the Charter School Contract, simultaneously with submission thereof to the Authorizer.

In addition, Tenant shall promptly provide Landlord with copies of such unaudited financial statements and unaudited enrollment, participation, eligibility, and other reports as Landlord may from time to time request.

7.5.2 During the Term of this Lease, Tenant:

(a) Shall comply, and cause each of its agents, employees, invitees and contractors to comply, in all material respects, with all terms and provisions of the Charter School Contract;

(b) Shall not voluntarily agree to any termination or amendment of the Charter School Contract without Landlord's prior written consent (which may be granted or withheld in

Landlord's sole discretion), nor voluntarily agree to any termination or modification of the Charter School Contract;

(c) Shall not do, or permit or suffer to be done, any act or omission by Tenant, its agents, employees, contractors or invitees which is prohibited by the Charter School Contract, or which would constitute a violation or default thereunder, or result in a forfeiture, termination or non-renewal of the Charter School Contract or result in Tenant or the Charter School Contract being placed on academic probation by the Authorizer or other charter school governing authority.

7.5.3 Tenant shall be in default of this Lease if any of the following occurs:

(a) More than 20% of Tenant's total operating budget is expended on facilities expenses, including the Rent due under this Lease; or

(b) Tenant's total student enrollment is less than eighty percent (80%) of the scheduled enrollments set forth below for the applicable Lease Years:

- Lease Year 1: 271 students
- Lease Year 2: 309 students
- Lease Year 3: 356 students
- Lease Year 4: 404 students
- Lease Year 5: 451 students

## ARTICLE VIII Indemnity and Insurance

8.1 Indemnification. Except to the extent resulting from the gross negligence or intentional misconduct of Landlord or any Landlord Party claiming indemnification, Tenant shall indemnify, defend, save and hold harmless Landlord and all other Landlord Parties from and against any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities (including, but not limited to, strict liability), judgments, and expenses (including, without limitation, reasonable attorneys' fees and expenses, filing and other court costs) incurred in connection with or arising from any of the following: (i) the use, condition, operation or occupancy of the Premises, including, but not limited to, the presence of any Dangerous Condition; (ii) any activity, work, or thing done, or permitted or suffered by or through Tenant in or about the Premises; (iii) any acts, omissions, or negligence of Tenant or any Tenant Party; (iv) any claim of any students, staff, employees or other invitees of Tenant or any Tenant Party, including claims alleging breach or violation of such person's civil or legal rights; (v) any breach, violation, or nonperformance by Tenant or any Tenant Party, of any term, covenant, or provision of this Lease or any Legal Requirement; (vi) any injury or damage to the person, property or business of Tenant or any Tenant Party, or any other person entering upon the Premises under the express or implied invitation of Tenant; and (vii) any accident, injury to or death of persons or loss or damage to any item of property occurring at the Premises. If any action or proceeding is brought against Landlord or any Landlord Party by reason of any such indemnified claim as set

forth above, Tenant, upon notice from Landlord, will defend the claim at Tenant's sole cost and expense with counsel reasonably satisfactory to Landlord. If Landlord reasonably determines that the interests of Landlord or such Landlord Party and the interests of Tenant in any such action or proceeding are not substantially the same and that Tenant's counsel cannot adequately represent the interests of Landlord or such Landlord Party with respect to such indemnified claim as set forth above, Landlord shall have the right to hire separate counsel in any such action or proceeding and the costs and expenses thereof, including all attorneys' fees and expenses, shall be paid for by Tenant.

## 8.2 Tenant's Insurance.

8.2.1 Tenant covenants and agrees that from and after the Commencement Date and during the Term of this Lease and thereafter so long as Tenant is in occupancy of any part of the Premises or such longer period as specified herein, Tenant shall carry and maintain, at its sole cost and expense, the following types of insurance, naming Landlord and Landlord's lender as additional insured or loss payee, as applicable, in the amounts specified and in the forms hereinafter provided with insurance companies authorized to do business in the State of Michigan and rated A:IX or better in the most current edition of Best's Insurance Report or a Standard and Poor's rating of "AA" (or the then equivalent of such rating) ("**Tenant's Insurance Requirements**"):

(a) Commercial General Liability Insurance. Tenant shall obtain and maintain Commercial General Liability insurance on the broadest forms available for similar risks, written on an "occurrence policy form," against all claims for bodily injury, disease or death, property damage, personal injury, premises operations, products and completed operations, consultants and independent contractors and contractual liability in an amount of not less than \$1,000,000 arising out of any one occurrence and \$2,000,000 in the annual aggregate, per location. The policy must include coverage for molestation and sexual abuse (unless provided under the professional liability policy required in this Section) and coverage for sports and athletic participation if applicable. The policy must include as insureds the Tenant's employees, volunteers and directors. The policy shall be endorsed to include Landlord, its managers, members, directors, officers, employees, agents, affiliates, successors and assigns and any lender as additional insureds on a primary and non-contributory basis. Tenant shall maintain the commercial general liability coverage as specified herein for a minimum of one year after termination of this Lease.

(b) Umbrella Liability Insurance. Tenant shall obtain and maintain Umbrella Liability Insurance on the broadest forms available for similar risks, written on an "occurrence policy form," against all liability claims in an amount of not less than \$4,000,000 per occurrence and in the annual aggregate, per location. If liability coverage for the Premises is included under any blanket policy written on an aggregate form, then the annual aggregate limit of insurance applying solely to the Premises must be not less than \$5,000,000.

(c) Worker's Compensation / Employer's Liability. Tenant shall obtain and maintain Worker's Compensation insurance to the extent required, and in the amounts required by applicable Legal Requirements covering Tenant and its employees and employer's liability insurance in the amount of \$1,000,000 per accident, \$1,000,000 per illness (per employee) and \$1,000,000 per illness (aggregate). If Tenant uses borrowed employees (including employees from a temporary employment agency) to perform services, it shall require the primary employer

to provide an alternate employer endorsement showing Tenant in the schedule as the alternate employer. The Workers' Compensation policies shall contain a waiver of subrogation provision requiring the insurance carriers to waive all rights against Landlord and all other Landlord Parties and any lender.

(d) Commercial Automobile Liability Insurance. Tenant shall obtain and maintain Commercial Automobile Liability insurance on all owned, hired or non-owned vehicles used in connection with Tenant's operations in the amount of \$1,000,000 combined single limit for bodily injury and property damage. The coverages must afford coverages to Tenant for Tenant's liability arising out of the use by employees, agents, and volunteers of Tenant utilizing personal vehicles within the course and scope of their employment or service.

(e) Educators Liability Insurance. Tenant shall obtain and maintain Educators Liability insurance (errors and omissions) with limits of insurance no less than \$1,000,000 per claim and \$2,000,000 in the aggregate. Coverage shall include employment practices, student liability, corporal punishment and sexual misconduct. This policy must also provide coverage for third party liability losses, including losses that arise out of local, state, or federal anti discrimination laws, except that Tenant may instead to elect provide coverage for losses that arise out of local, state, or federal antidiscrimination laws through a separate employment practices liability insurance (EPLI) policy that has limits of not less than \$1,000,000 per claim, \$2,000,000 in the aggregate. Tenant shall maintain the insurance required in this subsection for a minimum of three years after termination of this Lease.

(f) Crime / Employee Theft. Tenant shall obtain and keep in force a Crime / Employee Theft insurance policy covering its employees, volunteers and the acts of any third party vendor or contractor that otherwise might have the opportunity to misappropriate Tenant's property or funds, with limits of not less than \$500,000 per occurrence.

(g) Personal Property Insurance. Tenant shall obtain and maintain insurance coverage on all of Tenant's Removable Property. Such insurance shall be full replacement cost coverage with a deductible not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Tenant for the repair or replacement of Tenant's Removable Property. Tenant shall provide Landlord with written evidence that such insurance is in force no later than three (3) Business Days before the Commencement Date.

(h) Other. In addition, Tenant shall obtain and maintain the following coverages:

(i) Student Accident Insurance in an amount of not less than \$10,000 per occurrence;

(ii) Directors' and Officers' Insurance in an amount of not less than \$1,000,000 per occurrence; and

(iii) Any other commercially reasonable insurance types or amounts that Landlord or any lender requires.

8.2.2 Blanket Policies. Tenant may maintain any of its required insurance coverages under blanket policies of insurance covering said Premises and other premises of

Tenant, or companies affiliated with Tenant, provided that any such policy shall in all other respects comply with the requirements of this Lease.

8.2.3 Tenant's Policies and/or Certificates of Insurance. Each policy shall not have more than a \$25,000 deductible or retention for any occurrence, except for mandatory deductibles or retentions where required under local regulations, or when required by insurers for specific catastrophic perils. Tenant shall obtain, before the expiration date of each such policy, original policies (or renewals or extensions of the insurance afforded thereby), certified duplicates thereof or certificates thereof (together with copies of endorsements for each additional insured) acceptable to Landlord. The above mentioned policies, and proof of payment of all premiums therefor, are to be provided to Landlord at least five (5) Business Days before the Commencement Date and at least annually thereafter or as requested by Landlord. Each such policy shall provide that Landlord be given written notice at least five (5) Business Days before the expiration, material alteration, cancellation or non-renewal of any policies, and that any loss otherwise payable to them thereunder shall be paid notwithstanding any act or negligence on their part or that of the Tenant which might, absent such provision, result in a forfeiture of all or part of such insurance payment. If Tenant fails to furnish said notice or policies as provided in this Lease, and at the times herein provided, Landlord may obtain such insurance and the premiums on such insurance shall be deemed to be Additional Rent to be paid to Landlord upon demand. Tenant shall be responsible for the cost of any and all premiums on all such insurance to be carried by the Tenant. Final insurance policies shall be sent to the attention of: Canyon-Agassi Charter School Facilities Fund, L.P. c/o Canyon Capital Realty Advisors LLC, 2000 Avenue of the Stars, 11th Floor, Los Angeles, California 90067, Attn: Bari Cooper Sherman, Fax: (310) 272-1537.

### 8.3 Landlord's Insurance.

8.3.1 Landlord shall obtain and maintain, at Tenant's expense (including, without limitation, deductibles not to exceed \$50,000) all of the following (altogether, the "**Landlord's Insurance**"):

(a) Property insurance on an "All Risk" basis and for such other insurable hazards as, under good insurance practices, are insured against for other property and buildings similar to the Premises in nature, use, location, height, and type of construction. Such policy shall include all standard perils including wind. The amount of such insurance shall be not less than one hundred percent (100%) of the replacement cost without depreciation of the Premises. Such insurance policy shall contain an agreed amount endorsement and not subject to any form of coinsurance. Such insurance shall cover mechanical breakdown and testing, increased cost of Legal Requirements, insurance, costs of demolition and increased cost of construction as well as rent loss and business interruption coverage, including, business income and extra expense, for an extended period of indemnity of at least twelve (12) months. During the period of any construction, repair, renovation, restoration or replacement of the improvements or the Premises, Landlord shall obtain and maintain, at Tenant's expense (including, without limitation, deductibles), a completed value "All Risk" Builder's Risk Insurance policy for the full replacement cost of the Premises (including upgrades and any leasehold improvements but excluding Tenant's Removable Property and Alterations made by Tenant). The policy is to be written on a non-reporting basis, and in an amount not less than the total value of the Premises (less the value of such uninsurable items as land, site preparation, grading, paving, and parking lots). Such policy shall not contain a permission to occupy limitation. The policy shall contain an agreed amount endorsement and not subject to any form of coinsurance. Such policy shall not

have exclusions for sidewalks, retaining walls or underground property. The policy must not contain any "Protective Safeguard" endorsements limiting coverage. Coverage shall be provided for against the standard perils. Such policy shall include coverage for mechanical breakdown and testing, collapse, expediting expenses, demolition and increased cost of construction (for renovation and/or additions to existing structures), water damage, and permission for partial occupancy.

(b) Pollution and Environmental Impairment Liability insurance, insuring Landlord (with both "first-party" and "third-party" coverages) against pollution-related liabilities arising with respect to the Premises, including (without limitation) bodily injury, property damage, remediation expenses (including investigation, monitoring, removal, and disposal), and defense costs (including adjustment and costs incurred in defending a claim) related to the same.

(c) Commercial General Liability and Umbrella Liability insurance, on the broadest forms available for similar risks, written on an "occurrence policy form," and insuring against all claims for bodily injury, disease or death, property damage, personal injury, premises operations, products and completed operations, consultants and independent contractors and contractual liability, and including (without limitation) coverage for molestation and sexual abuse and coverage for sports and athletic participation if applicable. Landlord currently carries liability limits of \$35,000,000 per occurrence and in the aggregate. Landlord shall have no obligation to carry a specific limit, but rather may amend its limits from time to time in its sole discretion.

8.3.2 Tenant shall pay to Landlord, as Additional Rent, an amount equal to the premiums for the insurance coverages which Landlord maintains pursuant to this ARTICLE VIII attributable to each calendar year during the Term (the "**Premiums**"), such amount to be apportioned for any portion of a calendar year in which the Commencement Date falls or the Term expires. Upon a casualty, Tenant shall immediately pay to Landlord the applicable deductible under the insurance which Landlord is to or may obtain pursuant to this ARTICLE VIII.

8.3.3 Estimated payments by Tenant on account of the Premiums shall be made on the first Business Day of each and every calendar month during the Term of this Lease, in the fashion herein provided for the payment of Base Rent. The monthly amount so to be paid to Landlord shall be sufficient to provide Landlord by the time Premiums are due with a sum equal to Tenant's required payment, as reasonably estimated by Landlord from time to time, on account of the Premiums for the then current calendar year. Promptly after receipt by Landlord of bills for such Premiums, Landlord shall advise Tenant of the amount thereof and the computation of Tenant's total payment due on account thereof. If estimated payments theretofore made by Tenant for the calendar year covered by such bills exceed the required payment on account thereof for such calendar year, Landlord shall credit the amount of overpayment against subsequent obligations of Tenant on account of the Premiums (or promptly refund such overpayment if the Term of this Lease has ended and Tenant has no further obligation to Landlord); but if the required payments on account thereof for such calendar year are greater than estimated payments theretofore made on account thereof for such calendar year, Tenant shall pay the difference to Landlord within twenty (20) Business Days after being so advised by Landlord, and the obligation to make such payment for any period within the Term shall survive expiration of the Term.

8.3.4 Landlord shall have the right to provide insurance coverage which it is obligated to carry pursuant to the terms hereof in a blanket policy, provided such blanket policy expressly affords coverage to the Premises as required by this Lease.

8.4 Waiver of Subrogation. Notwithstanding anything to the contrary contained elsewhere in this Lease, neither Landlord nor Tenant shall be liable to the other Party or to any insurance company insuring the other Party by way of subrogated rights or otherwise, for any loss or damage caused by fire or any other hazard or peril covered by fire or extended coverage or all risk insurance or required to be covered by the insurance coverages under this Lease, or any resulting loss of income, even though such loss or damage may have been occasioned by the negligence of such Party, its agents or employees.

8.5 Tenant's Risk; Landlord Not Responsible for Acts of Others. Tenant agrees to use and occupy the Premises at Tenant's own risk. Landlord shall not be liable to Tenant or any other Tenant Party for any damage, injury, loss, compensation, or claim (including, but not limited to, claims for the interruption of or loss to Tenant's business) based on, arising out of or resulting from any cause whatsoever, including, but not limited to, repairs or construction to any portion of the Premises. Nor shall Landlord be liable to Tenant or any other Tenant Party for any fire, robbery, theft, mysterious disappearance and/or any other crime or casualty, or any leakage in any part or portion of the Premises, or from water, rain or snow that may leak into, or flow from any part of the Premises, or from drains, pipes or plumbing fixtures at the Premises, or from the roof, street, subsurface or from any other place, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the Premises. Notwithstanding the foregoing, however, Landlord shall in no event be exonerated from any liability to Tenant or any other Tenant Party, for any injury, loss, damage or liability to the extent such exonerated is prohibited by law. Any goods, property or personal effects stored or placed in or about the Premises shall be at the sole risk and hazard of Tenant, and neither Landlord nor any Landlord Party nor Landlord's insurers shall in any manner be held responsible therefor and in no event shall Landlord, or any other Landlord Party have any liability to Tenant or any Tenant Party based on any loss with respect to or interruption in the operation of Tenant's business. The provisions of this Section 8.5 shall be applicable from and after the execution of this Lease and until the end of the Term of this Lease, and during such further period as Tenant may use or be in occupancy of any part of the Premises. Landlord shall not be responsible or liable to Tenant, or any Tenant Party for any loss or damage to persons or property resulting from the negligence, acts or omissions of persons occupying space adjoining or adjacent to the Premises, or connected to the Premises, or occupying any other part of the Building, or of any of their respective agents, employees, contractors, invitees or customers, including, without limitation, caused by breaking or falling of electrical cables and wires, or the breaking, bursting, stoppage or leakage of water, gas, sewer or steam pipes.

## ARTICLE IX

### Alterations

9.1 Alterations. Except as hereinafter provided, after completion of Landlord's Work in accordance with the Plans and Specifications, Tenant shall make no additions, installations, improvements, replacements and/or alterations in or to the Premises (hereinafter "Alterations") without the prior written consent of Landlord, which shall not be unreasonably withheld or



delayed. If Landlord fails to respond to a request for approval within five (5) Business Days of Tenant's request, then Tenant's written request shall be deemed disapproved by Landlord.

9.1.1 Notwithstanding the above, Tenant shall have the right to make from time to time, at its expense, non-structural Alterations to the interior of the Premises without obtaining Landlord's consent ("**Permitted Alterations**"); *provided however*, that such Alterations are not Material Alterations, provided further that Tenant notifies Landlord of the intended Alterations to the interior of the Premises in reasonable detail, together with an estimate of the cost thereof, at least ten (10) Business Days before its commencement of such Permitted Alterations. All Alterations made by or for Tenant shall be done in a good and workmanlike manner and diligently prosecuted to completion, in compliance with applicable Legal Requirements.

9.1.2 Alterations that (i) cost in excess of \$10,000 or (ii) are not in compliance with Legal Requirements or Insurance Requirements, or (iii) in Landlord's sole judgment, affect the Building Systems, the structural integrity of the Building or any part thereof, or the exterior of the Building or other structures on the Premises shall be deemed "**Material Alterations**" and shall not be performed without the prior written consent of Landlord, which consent shall be granted or withheld in Landlord's sole and absolute discretion.

9.1.3 If Landlord requires Tenant to remove a Material Alteration at the expiration of the Lease, Landlord shall notify Tenant of this effect simultaneously with Landlord's grant of approval of such Material Alteration. All Alterations, additions and improvements to the Premises (including fixtures and equipment) made by or for Tenant shall be done in a good and workmanlike manner and diligently prosecuted to completion, in compliance with applicable Legal Requirements and Insurance Requirements.

(a) Any Alterations in or to the mechanical, electrical, plumbing, sanitary, heating, air conditioning, ventilation, life safety or other systems of the Building or to or affecting the roof or any other structural part of the Building, shall be performed only by contractor(s) approved by Landlord.

9.2 Review and Approval Solely for Tenant's Benefit. Tenant agrees that any review or approval by Landlord of Tenant's Alteration plans is solely for Landlord's benefit, and without any representation or warranty whatsoever to Tenant with respect to the adequacy, correctness or efficiency thereof or otherwise.

9.3 Tenant's Obligation to Furnish Documents to Landlord. Tenant, at its expense, shall obtain (and furnish true and complete copies to Landlord of) all necessary governmental permits and certificates for the performance of Alterations and for final approval thereof upon completion, and shall cause Alterations to be performed in compliance therewith, with all Legal Requirements and Insurance Requirements, and with the plans and specifications submitted to, and approved by Landlord pursuant to Section 9.1 hereof. Alterations shall be performed in such manner as not to impose any additional expense upon Landlord in the construction, maintenance, repair or operation of the Building, and if any such additional expense shall be incurred by Landlord as a result of Tenant's performance of Alterations, Tenant shall pay such additional expense upon demand as Additional Rent. Throughout the performance of Alterations, Tenant, at its expense, shall carry, or cause to be carried, worker's compensation insurance in statutory limits, employer's liability insurance, disability benefits insurance, property insurance, builder's risk insurance and general liability insurance, with completed operation endorsement, for any

occurrence in or about the Premises, and covering construction subcontractors and materialmen to be employed by Tenant, under which Landlord shall be named as additional insured, in such limits as Landlord may reasonably require, with insurers reasonably satisfactory to Landlord. Tenant shall furnish Landlord with reasonably satisfactory evidence that such insurance is in effect at or before the commencement of Alterations and, on request, at reasonable intervals thereafter during the continuance of Alterations.

9.4 Notice of Violations. Tenant, at its expense, and with diligence and dispatch, shall procure the cancellation or discharge of all notices of violation arising from or otherwise connected with Alterations, or any other work, labor, services or materials done for or supplied to Tenant, or any Tenant Parties which shall be issued by any public authority having or asserting jurisdiction. However, nothing herein contained shall prevent Tenant from contesting, in good faith and at its own expense, any notice of violation; *provided* neither Landlord nor the Premises is adversely affected thereby.

9.5 "As-Built" Drawings. Tenant shall promptly upon the completion of a Material Alteration deliver to Landlord final "as-built" drawings certified by Tenant's architect of any Alterations Tenant has performed or caused to be performed in the Premises, and upon Landlord's request Tenant shall furnish updated drawings and specifications, if any, for Alterations in progress.

9.6 Liens. Tenant shall cause all contractors performing, and suppliers supplying materials for, Alterations shall be paid in full, so that the Premises and the Building shall at all times be free of liens for labor and materials supplied or claimed to have been supplied. In addition, Landlord shall have the right at all times to post and maintain upon the Premises such notices as may be necessary or desirable to keep the Premises and Landlord free of lien from any mechanic, laborer, materialman, supplier or vendor.

9.6.1 Any mechanic's lien filed against the Premises for work claimed to have been done for, or for materials claimed to have been furnished to, Tenant shall be discharged by Tenant within fifteen (15) Business Days after such filing, by payment, filing of the bond required by law or otherwise, and Tenant shall provide satisfactory proof of such discharge to Landlord. In default thereof, Landlord may, upon ten (10) Business Days prior notice to Tenant, discharge any such mechanic's lien, by bond or payment, or otherwise, and the cost thereof shall be paid by Tenant to Landlord within ten (10) Business Days after demand. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant upon credit, and that no mechanic's lien or other lien for any such labor or materials shall attach to or affect the reversion or other estate or interest of Landlord in and to the Premises. Tenant shall indemnify and hold Landlord and all other Landlord Parties harmless from and against any and all expenses, liens, claims, liabilities and damages based on or arising, directly or indirectly, by reason of the making of any alterations, additions or improvements by or on behalf of Tenant to the Premises under this Section, which obligation shall survive the expiration or termination of this Lease.

9.6.2 Tenant's Removable Property shall be fully paid for by Tenant in cash and shall not be subject to conditional bills of sale, security interests, chattel mortgages or other title retention agreements.

9.7 Removal of Rubbish. Tenant, at its sole cost and expense, shall remove and dispose (in accordance with all Legal Requirements and Rules and Regulations) all rubbish arising from Tenant's Alterations.

## ARTICLE X

### Landlord's and Tenant's Removable Property

10.1 Landlord's Property. Other than Tenant's Removable Property, all fixtures, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of or during the Term, including Landlord's Work, whether or not by or at the expense of Tenant, shall be and remain a part of the Premises, shall, upon the expiration or sooner termination of this Lease, be deemed the property of Landlord and shall not be removed by Tenant ("**Landlord's Property**").

10.2 Tenant's Removable Property. All of Tenant's Removable Property shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term; provided, that if any of Tenant's Removable Property is removed, Tenant shall repair or pay the cost of repairing any damage to the Premises or to the Building resulting from the installation and/or removal thereof.

10.3 Timing of Removal of Tenant's Removable Property. At or before the Expiration Date (or within fifteen (15) calendar days after any earlier termination of this Lease, as the case may be), Tenant, at its expense, shall remove from the Premises all of Tenant's Removable Property (except such items thereof as Landlord shall have expressly permitted to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Building resulting from removal of Tenant's Removable Property.

10.4 Abandoned Property. Any other items of Tenant's Removable Property which shall remain in the Premises after the Expiration Date, or within twenty (20) Business Days following an earlier termination of this Lease, may at the option of Landlord be deemed abandoned, and in such case such items may either be retained by Landlord as its property or disposed of by Landlord, without accountability, in such manner as Landlord shall determine, at Tenant's expense.

## ARTICLE XI

### Repairs and Maintenance

#### 11.1 Tenant's Obligations.

11.1.1 Save and except for (i) the completion of Landlord's Work, and (ii) except as provided in Section 11.2, Tenant shall, at its expense, throughout the Term, maintain the Premises in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all mechanical, electrical, plumbing, life safety (including sprinkler systems), heating, ventilation, and air conditioning systems of the Building (the "**Building Systems**"), boilers, pressure vessels, fixtures, walls (interior and exterior), ceilings, floors, windows, doors, plate glass, skylights, landscaping,

driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, on, or adjacent to the Premises. Tenant is also responsible for keeping the roof and roof drainage clean and free of debris. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including (i) the procurement and maintenance of the service contracts required by this Section 11.1, (ii) timely observance of all procedures itemized under the Building Maintenance Checklist set forth on the Exhibit J attached to and made a part of this Lease, and (iii) due and timely performance of all measures reasonably necessary to assure that the Premises shall remain in full compliance with the Due Care Plan, as required under Section 4.2.2. Tenant's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. Tenant shall, during the Term, keep the exterior appearance of the improvements on the Premises in a first class condition (including, e.g., graffiti removal) consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity and Tenant shall surrender the Premises, at the end of the Term, in such condition, reasonable wear and tear excepted; provided, however, that Tenant has engaged in good maintenance and preventative maintenance practices and Tenant shall be obligated to replace worn out items. Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damage to the Building caused by any act or neglect of Tenant or any Tenant Party (including any damage by fire or other casualty arising therefrom). Tenant shall not, in the course of its repair, maintenance or construction, invalidate any of the warranties on the Premises, including, but not limited to those that relate to the roof, the stormwater management system, the elevator, and the sprinkler systems. All of such repairs and replacements shall be of good quality sufficient for the proper maintenance and operation of the Premises, and shall be constructed and installed in compliance with Legal Requirements and Insurance Requirements. Repairs or replacements to Building Systems may be performed only by contractors approved in advance by Landlord.

11.1.2 Tenant shall not permit the accumulation of waste or refuse matter, nor permit anything to be done upon the Premises that would invalidate or prevent the procurement of any insurance policies or governmental permits, licenses or approvals that may at any time be required pursuant to the provisions hereof. Tenant shall not place a load upon any floor in the Premises exceeding the floor load per square foot of area which such floor was designed to carry and which is allowed by Legal Requirements. Landlord reserves the right to prescribe the weight and position of all business machines and mechanical equipment, including safes, which shall be placed so as to distribute the weight.

11.1.3 Tenant shall, at Tenant's sole expense, obtain and keep in full force and effect during the Term of this Lease (with copies to Landlord, and in customary form and substance reasonably acceptable to, and with contractors reasonably approved by, Landlord) service contracts for such of the Building Systems as are indicated for a "service agreement" on the attached Exhibit J, as well as for any other equipment as to which such contracts shall reasonably be required by Landlord. If Tenant shall fail to obtain or maintain the service contracts required pursuant to this Section 11.1.3, Landlord may, after ten (10) Business Days' notice to Tenant, obtain and maintain the same, and the reasonable cost thereof shall be collectible by Landlord, upon demand, as Additional Rent.

11.1.4 If repairs, maintenance or other work is required to be made by Tenant pursuant to the terms of this Lease, and Tenant fails to commence the repairs and/or other obligations and diligently prosecute such repairs and/or obligations to completion, upon not less

than ten (10) Business Days' prior written notice (except that no notice shall be required in the event of an emergency), Landlord may make or cause such repairs to be made or such obligations to be performed (but shall not be required to do so), and all costs incurred by Landlord in connection therewith shall be paid by Tenant to Landlord on demand and shall be Additional Rent. Landlord shall not be responsible to Tenant for any loss or damage whatsoever that may accrue to Tenant's stock or business by reason of Landlord's making such repairs.

11.1.5 Tenant shall be solely responsible for security measures at the Premises. Tenant acknowledges that Landlord has not undertaken any duty whatsoever to provide security for the Premises and, accordingly, Landlord is not responsible for the security of same or the protection of Tenant's property or Tenant's employees, invitees, students, parents, or contractors from any cause whatsoever, including but not limited to criminal and/or terrorist acts. To the extent Tenant determines that such security or protection services are advisable or necessary, Tenant shall arrange for and pay the costs of providing same. Landlord shall have no responsibility to prevent, and shall not be liable to Tenant for losses due to theft, burglary or other criminal activity, or for damages or injuries to persons or property resulting from persons gaining access to the Premises, and Tenant hereby releases Landlord and all other Landlord Parties from all liabilities for such losses, damages or injury, regardless of the cause thereof.

## 11.2 Landlord's Obligations.

11.2.1 Landlord, at its sole cost, except as provided in Section 11.1 above, shall maintain, repair and replace the roof of the Building (except Tenant shall be responsible for the payment of all costs of repairs and replacements to the roof required as a result of the installation, use, operation, maintenance, repair or replacement of any equipment or facilities installed by Tenant or any party claiming under Tenant on the roof of the Building, including, without limitation, any mechanical systems in any portion of the Building serving such roof equipment and facilities) and the structural elements (excluding exterior glass) of the Building (i.e. load bearing walls, foundation and slab).

11.2.2 During the first seventy-two (72) full calendar months of the Term, the total of Landlord's costs and expenses incurred in maintaining, repairing and replacing the roof and the structural elements of the Building, as required under Section 11.2.1 (altogether, the "Capital Repair Costs"), shall be added to the estimated fair market value of the Premises specified under Section 2.4. If Tenant shall not exercise the option to purchase provided under Section 2.4, however, then Landlord shall provide Tenant with an amendment to this Lease setting forth a revised schedule of annual Base Rent, which, beginning with the seventh (7th) Lease Year, shall be determined by increasing the annual Base Rent set forth in Section 3.1 above for each Lease Year thereafter during the Term by such amounts as may be reasonably required, as determined by Landlord in good faith, in order to ensure that Landlord receives the same rate of return on the Capital Repair Costs as Landlord shall receive on its capital investment in Landlord's Work.

11.2.3 Landlord shall in no event be responsible to Tenant for any condition in the Premises or the Building caused by any act or neglect of Tenant or any Tenant Party. Nor shall Landlord be responsible to make any improvements or repairs to the Building other than as expressly provided in this Lease.

11.3 Interruption. Landlord shall have no liability to Tenant, nor shall Tenant's covenants and obligations under this Lease be reduced or abated in any manner whatsoever, by reason of any inconvenience, annoyance, interruption or injury arising from Landlord's making any repairs, replacements or changes which Landlord is required or permitted by this Lease, or required by applicable Legal Requirements or Insurance Requirements, to make in or to the fixtures, equipment or appurtenances of the Building or the Premises. Landlord shall not be responsible in any manner for any suspension, interruption or curtailment of any services or utilities to the Premises, regardless of the cause thereof, and no such suspension, interruption or curtailment shall give rise to any claim for abatement of rent or other compensation to Tenant from Landlord, nor shall Tenant claim any direct, indirect or consequential damages or constructive eviction on account thereof, nor shall this Lease or any obligation of Tenant be affected thereby. Tenant hereby expressly waives any and all rights of rent abatement or other remedies on account of any untenantability and Tenant's sole right and remedy shall be as set forth in Section 21.5 of this Lease.

## ARTICLE XII Utilities

12.1 Procurement and Payment of Utilities. Tenant shall be responsible to procure the supply of any and all utilities necessary for Tenant's use and occupation of the Premises and, subject to the performance of Landlord's Work and Landlord's express obligations under ARTICLE XI, Landlord will have absolutely no responsibility or obligation to provide any utility or other service to the Premises. Tenant shall contract for, in its own name, and shall pay all taxes, assessments, charges/deposits, fees and bills for utilities including, without limitation, charges for water, gas, oil, sanitary and storm sewer, electricity, steam, telephone service, trash collection, internet access, cable television or satellite service, and all other utilities that may be charged against any occupant or user of the Improvements during the Term. Tenant shall at all times maintain that amount of heat necessary to ensure against the freezing of water lines. Tenant shall indemnify, defend, save and hold Landlord harmless of, from and against any and all claims, liability or damages, including, but not limited to, claims based upon Tenant's failure to pay any fees or other charges for utility services supplied to the Premises, or damages to the utility systems and the Premises, that may result from Tenant's failure to maintain sufficient heat in the Premises. All charges for utilities or services at the Premises before the Rent Commencement Date and after the expiration or earlier termination of the Lease shall be payable by Landlord.

12.2 Capacity. Tenant shall use best efforts such that its use of electric current shall not exceed the capacity of the then existing feeders to the Building or the risers or wiring installations serving the Premises. Any additional electrical capacity and any risers, feeders or other equipment or service proper or necessary to supply Tenant's electrical requirements, shall, upon written request of Tenant, be installed by Landlord at the expense of Tenant, if in Landlord's reasonable judgment any additional capacity required is then available in the Building, the installations are necessary and will not cause permanent damage or injury to the Building or the Premises, or cause or create a dangerous or hazardous condition, or entail excessive or unreasonable alterations, repairs or expense.

12.3 Interruption. Landlord shall not be liable to Tenant for any loss, damage or expense which Tenant may sustain or incur if (i) the supply of electricity or other service or utility

to the Premises is temporarily interrupted, or (ii) the quantity or character of the electric service is changed or is no longer available or suitable for Tenant's requirements.

### ARTICLE XIII Landlord's Services

13.1 Landlord's Obligation. Upon the completion of Landlord's Work, save and except for Landlord's obligations pursuant to Section 11.2, Landlord shall have no obligation to furnish to the Premises any cleaning services, electric energy, water, heat, air-conditioning, ventilation, gas or any other service or utility. Tenant shall obtain heat, air-conditioning, ventilation, gas and any other services or utilities required by Tenant at Tenant's sole cost and expense and in compliance with the applicable provisions of (i) all Legal Requirements and Insurance Requirements, (ii) the rules and regulations of any public utility or other company furnishing such service or utility, and (iii) this Lease.

13.2 Triple Net Lease. It is understood and agreed by the Parties that, except for Landlord's obligations under Section 11.2 of this Lease, this Lease is considered and intended to be a "triple net" lease, providing and yielding to the Landlord payment of the Base Rent and Additional Rent (and to third parties, as applicable) as and when due hereunder absolutely free and net of all expenses, costs and charges allocable to the Term which are in any manner associated with the ownership, operation, use, management, repair, maintenance, and insuring of the Premises, and Tenant is agreeing to be absolutely responsible for all costs, expenses, taxes and charges relating to its use and occupancy of the Premises during the period of its use and occupancy, unless otherwise provided herein.

13.3 Landlord's Rights of Access. After reasonable notice (except in emergencies when no such notice shall be required) which may be by telephone or e-mail, Landlord, its agents and representatives, shall have the right (without any obligation so to do) to enter the Premises (i) to inspect the same, (ii) to exercise such rights as may be permitted hereunder, (iii) to make repairs or alterations to the Premises, (iv) to make repairs or perform other obligations if Tenant fails to do so as required hereunder (but the Landlord shall have no duty whatsoever to make any such inspections, repairs, alterations, additions or improvements except as otherwise expressly provided in this Lease), (v) to deal with emergencies, (vi) to post such notices as may be permitted under Section 9.6, (vii) to exhibit the Premises to prospective tenants during the twenty four (24) months preceding expiration of the term of this Lease and at any reasonable time during the Term to show the Premises to prospective purchasers, lessors and mortgagees, or (viii) for any other purpose as Landlord may deem necessary or desirable; provided, however, Landlord shall use reasonable efforts not to materially interfere with Tenant's use of or access to the Premises and Landlord shall be accompanied by a designated representative of Tenant if and to the extent Tenant makes such representative available during such entry period. Tenant shall not be entitled to any abatement of rent or other charges nor shall Landlord be deemed guilty of an eviction, actual or constructive, or any violation of Tenant's quiet enjoyment of the Premises on account of Landlord's access to the Premises pursuant to the provisions of this Section 13.3 or any other provision of this Lease or applicable Legal Requirements.

ARTICLE XIV  
Subordination

14.1 Subordination of Lease. Subject to the terms of this ARTICLE XIV, this Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to any ground lease of the Premises, and all renewals, extensions, modifications and replacements thereof, and to all mortgages, deeds of trust, security interests and similar encumbrances (collectively, a “**Mortgage**”) which may now or hereafter affect the Premises, whether or not such Mortgage shall also cover other lands and/or buildings and/or leases, to each and every advance made or hereafter to be made under such mortgages, and to all renewals, modifications, replacements and extensions of such leases and such Mortgages and all consolidations of such Mortgages. This Section shall be self operative and no further instrument of subordination shall be required. Nonetheless, in the case of all Superior Mortgages entered into by Landlord, Landlord shall use reasonable efforts to cause the holder of any Superior Mortgage to join with Landlord and Tenant in a subordination, non-disturbance and attornment agreement which, for all purposes, shall govern the subordination of this Lease to a Superior Mortgage, and the relative rights and obligations of Tenant and Mortgagee with respect to this Lease, on such Superior Mortgagee’s standard form, incorporating the comments and revisions of Tenant acceptable to Superior Mortgagee in its reasonable discretion, but in no event modifying the financial obligations of Tenant hereunder, the rights granted to Tenant hereunder, or the material terms and conditions of this Lease. In confirmation of such subordination, Tenant shall promptly execute, acknowledge and deliver any instrument that Landlord, the lessor under any such lease or the holder of any such Mortgage or any of their respective successors in interest may reasonably request to evidence such subordination. Any ground lease to which this Lease is, at the time referred to, subject and subordinate is herein called “**Superior Lease**” and the lessor of a Superior Lease or its successor in interest at the time referred to, is herein called “**Superior Lessor**”; and any Mortgage to which this Lease is, at the time referred to, subject and subordinate, is herein called “**Superior Mortgage**” and the holder of a Superior Mortgage, or its successor in interest at the time referred to, is herein called “**Superior Mortgagee.**”

14.2 Attornment. If any Superior Lessor or Superior Mortgagee or the nominee or designee of any Superior Lessor or Superior Mortgagee shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, or otherwise, then at the request of such party so succeeding to Landlord’s rights (herein called “**Successor Landlord**”), Tenant shall attorn to and recognize such Successor Landlord as Tenant’s landlord under this Lease and shall promptly execute and deliver any instrument that such Successor Landlord may reasonably request to evidence such attornment. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease, except that the Successor Landlord (unless formerly the landlord under this Lease or its nominee or designee) shall not be (i) liable in any way to Tenant for any act or omission, neglect or default on the part of Landlord under this Lease or for any claim against Landlord arising before the date on which the successor succeeded to Landlord’s interest, (ii) responsible for any monies owing by or on deposit with Landlord to the credit of Tenant, (iii) subject to any counterclaim, offset or setoff which theretofore accrued to Tenant against Landlord, excluding express offset rights of Tenant set forth in this Lease, (iv) bound by any modification of this Lease subsequent to such Superior Lease or Mortgage, or by any previous prepayment of Base Rent for more than one (1) month, which was not approved in writing by the Superior Lessor or the Superior Mortgagee thereto, (v) liable to the Tenant beyond the Successor Landlord’s interest in



the Premises and the rents, income, receipts, revenues, issues and profits issuing from such Premises, (vi) responsible for the performance of any work to be done by the Landlord under this Lease to render the Premises ready for occupancy by the Tenant, (vii) bound by any amendment or modification of such Lease made without its written consent, or (viii) required to remove any person occupying the Premises or any part thereof, except if such person claims by, through or under the Successor Landlord.

14.3 Notice to Mortgagee. After receiving notice from Landlord of any holder of a Mortgage which includes the Premises, no notice from Tenant to Landlord alleging any default by Landlord shall be effective unless and until a copy of the same is given to such holder (provided Tenant shall have been furnished with the name and address of such holder), and the curing of any of Landlord's defaults by such holder shall be treated as performance by Landlord.

## ARTICLE XV Quiet Enjoyment

Subject to the terms and conditions of this Lease and subject to the rights of any Superior Mortgagee or Superior Lessor, on payment of the Base Rent and other Additional Rent and observing, keeping and performing all of the other terms and conditions of this Lease on Tenant's part to be observed, kept and performed, Tenant shall lawfully, peaceably and quietly enjoy the Premises during the term hereof, without hindrance or ejection by any persons lawfully claiming under Landlord to have title to the Premises superior to Tenant. The foregoing covenant of quiet enjoyment is in lieu of any other covenant, express or implied.

## ARTICLE XVI Assignment, Subletting and Mortgaging

16.1 Restriction on Transfer. Except as otherwise permitted in this ARTICLE XVI, Tenant covenants and agrees that neither this Lease nor the term and estate hereby granted, nor any interest herein or therein, may be assigned, mortgaged, pledged, encumbered or otherwise transferred, whether voluntarily, involuntarily, directly or indirectly, by operation of law or otherwise, and that neither the Premises nor any part thereof may be encumbered in any manner by reason of any act or omission on the part of Tenant, or used or occupied or permitted to be used or occupied, by anyone other than Tenant, or for any use or purpose other than the Permitted Use, or be sublet (which term, without limitation, shall include granting of concessions, licenses and the like) in whole or in part, or be offered or advertised for assignment or subletting by Tenant or any person acting on behalf of Tenant, without, in each case, the prior written consent of Landlord, which consent, except as otherwise expressly provided in this Lease, may be withheld by Landlord in its sole and absolute discretion. Without limitation, the provisions of this Section 16.1 shall apply to a transfer (by one or more transfers) of a controlling portion of or interest in the stock or partnership or membership interests or other evidences of equity interests of Tenant as if such transfer were an assignment of this Lease. If this Lease is assigned, or if the Premises or any part thereof is sublet or occupied by anyone other than Tenant, whether or not in violation of the terms and conditions of the Lease, Landlord may, at any time and from time to time, collect rent and other charges from the assignee, subtenant or occupant, and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, occupancy, collection or modification of any provisions of this Lease shall be deemed a waiver of the provisions of this ARTICLE XVI, or the acceptance of the assignee, subtenant or occupant as

a tenant or a release of Tenant from the further performance of covenants on the part of Tenant to be performed hereunder. Any consent by Landlord to a particular assignment, subletting or occupancy or other act for which Landlord's consent is required under this Section 16.1 shall not in any way diminish the prohibition stated in this Section 16.1 as to any further such assignment, subletting or occupancy or other act or the continuing liability of the original named Tenant. No assignment or subletting hereunder shall relieve Tenant from its obligations hereunder, and Tenant shall remain fully and primarily liable therefor.

16.1.1 If Tenant shall desire to sublet all or any portion of the Premises or assign this Lease, Tenant shall submit to Landlord a written request for Landlord's consent to such sublet or assignment, which request (the "**Request**") shall contain or be accompanied by the following information:

- (a) The name and address of proposed subtenant or assignee;
- (b) A duplicate original or photocopy of the sublease agreement or assignment and assumption agreement;
- (c) The nature and character of the business of the proposed subtenant or assignee and its proposed use of the Premises;
- (d) Banking, financial and other credit information with respect to the proposed subtenant or assignee reasonably sufficient in the judgment of Landlord to enable Landlord to determine the financial responsibility of the proposed subtenant or assignee; and
- (e) A certification from the Tenant and the proposed assignee or subtenant that the proposed assignee or subtenant is a Non-Profit Company.

16.1.2 The form of the proposed sublease or instrument of assignment (i) shall be in form reasonably satisfactory to Landlord, and, without limitation, (A) shall not provide for a rental or other payment for the, occupancy or utilization of the space demised thereby based in whole or in part on the income or profits derived by any person from the property so leased, used, occupied or utilized other than an amount based on a fixed percentage or percentages of gross receipts or sales, and (B) shall provide that no person having an interest in the possession, use, occupancy or utilization of the space demised thereby shall enter into any lease, sublease, license, concession or other agreement for use, occupancy or utilization of such space which provides for a rental or other payment for such use, occupancy or utilization based in whole or in part on the income or profits derived by any person from the property so leased, used, occupies or utilized other than an amount based on a fixed percentage or percentages of gross receipts or sales, and that any such purported lease, sublease, concession or other agreements shall be absolutely void and ineffective *ab initio*, and (ii) shall comply with the applicable provisions of this ARTICLE XVI;

16.1.3 Tenant shall reimburse Landlord on demand (and in no event later than the effective date of any assignment or sublease) for any reasonable costs incurred by Landlord in connection with any proposed assignment or subletting including, without limitation, the reasonable costs of making investigations as to the acceptability of the proposed assignee or subtenant and reasonable costs incurred in connection with the granting of the requested consent, including, without limitation, any legal, appraisal, recording, title, document preparation or

closing fees and any mortgage recording taxes. Notwithstanding the provisions of the above, Tenant shall remain liable to Landlord for any such costs that may be incurred by Landlord after the effective date of any assignment consented to in accordance with the terms of this paragraph.

16.1.4 In no event shall any assignment or subletting to which Landlord may have or may not have consented, release Tenant or any guarantor from its obligations under this Lease, or constitute consent to any further assignment or subletting. Anything contained in this Lease to the contrary notwithstanding, Tenant shall not (i) sublet the Premises or assign this Lease on any basis such that the rental or other amounts to be paid by the sublessee or assignee thereunder would be based, in whole or in part, on the income or profits derived by any person from the Premises or by the business activities of the sublessee or assignee; (ii) sublet the Premises or assign this Lease to any person, directly or indirectly, in which Landlord owns (by applying constructive ownership rules set forth in Section 856(d)(5) of the Internal Revenue Code) a ten percent (10%) or greater interest as defined by Section 856(d)(2)(B) of the Internal Revenue Code; or (iii) sublet the Premises or assign this Lease in any other manner or otherwise derive any income which could cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Internal Revenue Code, or which could cause any other income received by Landlord to fail to qualify as income described in Section 856(c) (2) of the Internal Revenue Code. The requirements of this Section 16.1.4 shall likewise apply to any further subleasing by any subtenant.

16.1.5 If Landlord shall consent to any proposed assignment or subletting, or shall decline to give its consent to any proposed assignment or subletting, Tenant shall indemnify, defend and hold harmless Landlord against and from any and all loss, liability, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from any claims that may be made against Landlord by the proposed assignee or subtenant or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed assignment or subletting.

16.1.6 Tenant shall pay to Landlord an amount equal to fifty percent (50%) of any net profit derived from any assignment of this Lease or subletting of the Premises to any person or entity that is not an Affiliate of Tenant (as defined below). Net profit shall mean any consideration paid by any assignee in connection with its acquisition of this Lease or the rent by any subtenant in connection with its subletting of the Premises and, in the event of a subletting, the amount of minimum rent and additional rent paid by any subtenant over the amount of minimum rent and additional rent paid by Tenant under this Lease, less only any Transfer Expenses (hereinafter defined). Such net profit shall be calculated on an annualized basis but shall be paid to Landlord, as Additional Rent, within ten (10) Business Days after receipt thereof by Tenant. "Transfer Expenses" shall mean (i) the reasonable out-of-pocket costs and expenses of Tenant in making such sublease or assignment, as the case may be, such as brokers' fees and commissions, attorneys' fees and advertising fees, (ii) any fees paid to Landlord pursuant to the terms of this Lease, and (iii) the cost of improvements or alterations made by Tenant expressly for the purpose of preparing the Premises for such subtenant or assignee or improvement allowances. In determining Transfer Expenses, the costs shall be amortized on a straight-line basis over the term of the sublease, or the remainder of the term of this Lease.

16.1.7 Notwithstanding anything to the contrary contained in this Paragraph, Landlord at its option shall have the right to cancel this Lease (with the same force and effect as if

the entire Term had expired by lapse of time) by written notice given to Tenant at any time within twenty (20) Business Days of Tenant's Request with respect to an assignment of this Lease or subletting of all or substantially all of the Premises, and if Landlord elects to cancel this Lease, the Term shall fully cease and expire on a date selected by Landlord in its notice of cancellation (which date shall not be less than ten (10) nor more than forty (40) Business Days after the date of such cancellation notice).

16.1.8 In no event shall Tenant be entitled to make, nor shall Tenant make any claim, and Tenant hereby waives any claim, for money damages, nor shall Tenant claim any money damages by way of set-off, counterclaim or defense, based upon any claim or assertion by Tenant that Landlord has unreasonably withheld or unreasonably delayed any consent or approval to a proposed assignment or subletting as provided for above, but Tenant's sole remedy shall be an action or proceeding to enforce any such provisions, or for specific performance, injunction or declaratory judgment.

16.2 Permitted Licensing. Provided that no Event of Default under this Lease shall exist at any time during the pendency of such licensing, Tenant may during the first three (3) Lease Years only—notwithstanding the provisions of the preceding Section 16.1, and at all times subject to all of the other terms and conditions of the Lease—grant from time to time, in writing, certain personal and revocable licenses to use up to three (3) classrooms of the Premises for Head Start-sponsored (or similar) early childhood programming and parent involvement services serving low-income children and their families. No licensed use permitted under this Section 16.2 shall interfere in any manner with the Permitted Use. Neither shall any licensed use extend for a period of more than six (6) hours in any twenty-four (24) hour period, nor rise to any level of right, intensity, duration, or repetition that may be deemed to constitute a conveyance of a possessory interest in land. All licensees of Tenant shall assume, by a written instrument reasonably satisfactory to Landlord, the due performance of all of the pertinent covenants and obligations under this Lease. Each license permitted under this Section 16.2 shall contain provisions to the effect that such license is only for actual use of the licensee. Notwithstanding the terms of such written instrument(s), Tenant shall remain fully liable for all performance under the Lease.

## ARTICLE XVII

### Signage

Tenant may erect interior signs on the Premises without Landlord's prior written consent provided such signs comply with applicable Legal Requirements and Insurance Requirements. Landlord shall, as part of Landlord's Work, place Tenant's name on the Building, in a manner reasonably acceptable to Tenant. Tenant shall not place any other signs on the Land or Building visible from the exterior of the Building without Tenant obtaining Landlord's consent, which consent shall not be unreasonably withheld, and the consent of any applicable governmental or municipal authorities. Such signs shall conform to the reasonable sign standards for the Premises adopted by Landlord and all Legal Requirements and, before installation of Tenant's signs, Tenant must submit to Landlord a plan or sketch in reasonable detail (showing, without limitation, size, color, location, materials and method of affixation) of the sign.

ARTICLE XVIII  
Damage or Destruction

18.1 Fire or Other Damage. Tenant must give Landlord immediate notice in case the Premises are damaged by fire or other casualty. If the Premises are Substantially Damaged by fire or other casualty (the term "**Substantially Damaged**" meaning damage of such a character that (i) the Premises are rendered unusable for the Permitted Use and (ii) the same cannot, in the ordinary course, reasonably be expected to be repaired within one hundred eighty (180) calendar days from the time that repair work would commence, as determined by a contractor mutually satisfactory to the Parties) and this Lease is not terminated pursuant to any of the provisions of this Section 18.1, then Landlord shall use reasonable efforts to restore the Premises (excluding Tenant's Removable Property and any Alterations performed by or on behalf of Tenant) within a reasonable period of time to proper condition for Tenant's use and occupancy, and Rent shall be abated in accordance with Section 18.3, provided that Landlord's obligation shall be limited to the amount of insurance proceeds available therefor, and Landlord shall not be obligated to commence restoration until Landlord has received the insurance proceeds and Tenant has paid the applicable deductible to Landlord.

18.1.1 If the Premises are Substantially Damaged by fire or other casualty, then Landlord shall have the right to terminate this Lease by giving notice of Landlord's election to do so within ninety (90) days after the occurrence of such casualty. If Landlord's reasonable estimation of the length of time necessary to repair or restore the Premises after such fire or other damage exceeds eighteen (18) months from the date of the casualty and Tenant is unable to secure alternative space for a period in excess of eighteen (18) months, Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to do so within sixty (60) days after Landlord's notice. Such right of termination shall be Tenant's sole and exclusive remedy at law or in equity for Landlord's failure so to complete such restoration, and time shall be of the essence with respect thereto.

18.1.2 If this Lease is terminated pursuant to Section 18.1.1, the Term shall be over on the specified cancellation date with the same force and effect as if such date were the date originally established as the expiration date hereof. Tenant shall have no obligation to pay rent after the termination date of the Lease. Tenant will look only to its own insurance as required by this Lease, whether or not obtained, to recover any damages or losses suffered as a result of the damage including but not limited to early termination of the Lease, loss of business, damage to property, trade fixtures, etc. Tenant releases Landlord from liability and waives right of recovery against Landlord for all losses or damages resulting from the casualty to the extent that it would have been compensated by insurance required to be carried by Tenant under this Lease. Tenant shall retain the proceeds of all insurance maintained by Tenant and allocable to Tenant's Removable Property, without claim by Landlord.

18.1.3 If this Lease is not terminated pursuant to Section 18.1.1, the proceeds of insurance carried pursuant to ARTICLE VIII ("Insurance Proceeds") shall be used to pay for the repair and restoration work performed pursuant to the terms hereof. If the total cost of restoring the Premises, as provided in this Article, is less than the amount of the Insurance Proceeds applicable to such restoration work, the balance of the Insurance Proceeds shall be paid to the party responsible for maintaining such insurance upon delivery of final waivers of lien and such other documentation as may be reasonably requested by the other party in order to confirm that such restoration work has been completed in substantial accordance with the terms hereof. If this

Lease is terminated by either Party pursuant to the terms and provisions of this Article, all Rent shall be prorated to the date of such damage or destruction and all Insurance Proceeds shall be retained (i) by Tenant if the policy yielding such Insurance Proceeds was obtained pursuant to Section 8.2 of this Lease and (ii) by Landlord if the policy yielding such Insurance Proceeds was obtained pursuant to Section 8.3 of this Lease. If the total cost of restoring the Premises, as provided in this Article, shall exceed the amount of Insurance Proceeds available for such restoration (as determined by a contractor mutually satisfactory to the Parties), then Tenant may (but shall not be required to) provide its own funds to supplement such Insurance Proceeds, as necessary to restore the Premises. If Tenant shall not provide such funds, however, within twenty (20) Business Days after the pertinent determination by the contractor selected by the Parties, then Landlord may elect to terminate this Lease by giving notice of such election at any time within forty (40) Business Days thereafter, which termination shall be effective as of the date of such notice.

**18.2 Partial Damage.** If the Premises are damaged by fire or other casualty under this ARTICLE XVIII but are not Substantially Damaged, Landlord shall thereafter promptly restore the Premises (excluding Tenant's Removable Property and any Alterations performed by or on behalf of Tenant) to substantially the condition they were in immediately prior to such casualty and Base Rent shall be equitably abated for the period during which Landlord shall be restoring such Premises; provided, however, that Landlord's obligation shall be limited to the amount of Insurance Proceeds available therefor, and that Landlord shall not be obligated to commence restoration until Landlord has received the Insurance Proceeds and Tenant has paid the applicable deductible to Landlord. After any such damage or destruction, Tenant shall cooperate with Landlord by removing from the Premises in a reasonable time all of Tenant's Removable Property. Notwithstanding anything to the contrary contained in this Lease, if Landlord does not commence the repair or restoration of such damage within the required time, or in the event that such repairs or restorations are not completed within two hundred (200) Business Days after the date of the casualty, Tenant shall have the right to terminate this Lease upon written notice to Landlord.

**18.3 Damage Due to Tenant's Acts or Omissions.** If the damage or destruction to the Premises is a direct result of Tenant's negligent or intentional actions or omissions, then Tenant shall be responsible in full for payment of all Base Rent and Additional Rent unabated. In all other cases, if after damage or destruction to the Premises Tenant is unable to continue to use the Premises for the Permitted Use or if Tenant is only able to use a portion of the Premises for the Permitted Use, then Base Rent and Additional Rent shall be abated or a pro rata portion of the Base Rent and Additional Rent shall be abated, as applicable, from the date of such damage or destruction and shall resume five (5) Business Days after written notice from Landlord that Landlord's restoration is complete. The end date of the term of this Lease shall not change.

**18.4 Tolling.** Notwithstanding anything to the contrary contained in this Lease, the Parties' respective rights to terminate this Lease pursuant to Section 18.1 of this ARTICLE XVIII shall be tolled during the period between Tenant's exercise of its option to purchase the Premises pursuant to the Option Agreement and the Closing Date (as defined in the Option Agreement).

**18.5 Restoration Near End of Term.** If the Premises are damaged or destroyed to such an extent as to render them untenable within twenty-four (24) months of the expiration of the Term or of any Renewal Period hereof, then, at Tenant's or Landlord's option and upon notice to the other given within twenty (20) Business Days after the date of the casualty, this Lease shall

terminate as of the date of such damage or destruction. However, if Tenant notifies Landlord that it elects to extend the Term for the next Renewal Period, such termination shall be deemed to be null and void, and the provisions of the remainder of this ARTICLE XVIII shall apply.

## ARTICLE XIX Eminent Domain

19.1 Condemnation. Except as provided in Section 19.2, if the entire Premises are taken or condemned by a legal authority, then the Term and Tenant's rights shall end as of the date the authority takes title to the Premises. If the Lease is terminated, Tenant must deliver the Premises to Landlord on the termination date together with all Base Rent and Additional Rent then due.

19.2 Partial Condemnation/Continuation of Lease. If less than the entire Premises is taken or condemned by a legal authority, the obligations of the Parties under this Lease shall be unaffected unless the effect of the taking or condemnation is to render the Premises unsuitable for the Permitted Use. From and after the date of delivery of possession to the condemning authority, a just and proportionate part of the Base Rent, according to the extent and nature of such taking, shall abate for the remainder of the term of this Lease. The Premises shall be deemed "unsuitable for the Permitted Use" if the state or condition of the Premises has been so affected by the taking or condemnation that, in the good faith judgment of Tenant, reasonably exercised, the Premises cannot be operated on a commercially practicable basis as a charter school. If a taking or condemnation renders the Premises unsuitable for the Permitted Use, Tenant may terminate the Lease as of the date of the taking, or as of the date of loss of occupancy of the condemned portion (if the date for vacating the Premises is different from the date of taking), or within twenty (20) Business Days following either the date of taking or the date of loss of occupancy of the condemned portion. If all or any part of the Premises is temporarily condemned for a period of six (6) months or less, the Parties shall be relieved from their obligations under the Lease only to the extent performance is rendered impracticable or impossible and Tenant shall remain obligated to pay Rent and other charges due under the Lease to Landlord for the period of such temporary taking. In the event of such a temporary taking, the entire amount of compensation payable for the temporary taking, whether paid by the condemning authority as damages, rent or otherwise, shall be payable to Tenant, subject to Tenant having paid to Landlord all Rent and other charges payable under the Lease for the period of such temporary taking.

19.3 Condemnation Award. In the event of a taking or condemnation which results in a termination of this Lease, if there is a single award, the condemnation proceeds, after deduction of the reasonable costs, expenses (including costs of experts) and attorneys' fees incurred in collection thereof ("**Net Award**") shall be divided between Landlord and Tenant as follows: (i) first, Landlord shall be paid out of the Net Award an amount equal to the value of the Premises (including Land and Building(s)) so taken, but subject to any lien, covenant, declaration, easement, cross-easement, operating agreement, right of way, encumbrance, restriction or similar right or title encumbrance with respect to the Premises, as may then be in full force and effect, and subject to this Lease including all then unexercised Renewal Periods; and (ii) second, Tenant shall be paid out of the balance of the Net Award an amount equal to the lesser of (A) the then remaining balance of the Net Award, or (B) the unamortized cost of Permitted Alterations constructed by Tenant; and (iii) the balance of the Net Award, if any, remaining after payments described above have been made shall be paid equally to Landlord and Tenant. In addition,

Tenant shall always be entitled to claim and receive an award of damages for its losses including any separate damages which are considered "special damages" to Tenant, it being understood and agreed that the term "special damages" as used herein shall include any damages or award (a) payable for Tenant's Removable Property installed by Tenant or anybody claiming under Tenant, at its or their own cost and expense, (b) representing compensation for loss of, or injury to, the business carried on upon the Premises, (c) for Tenant's relocation expenses, (d) for Tenant's damages for the loss of its leasehold estate suffered by it by reason of such taking or condemnation, and (e) any other damages compensable separately to Tenant; provided, however, that no such award to Tenant of special damages shall reduce the amount of the Net Award. In the event of a taking or condemnation of all or part of the Premises under circumstances where there will be a shared, unified award, Landlord and Tenant shall cooperate and join together in making all claims for damages, bringing any suit or action, appealing from any award or judgment, and settling and compromising all such claims, suits or actions, except for those claims which are prosecuted as part of an action for a separate award (e.g. a tenant's claim for "special damages") and, except for those claims for separate awards, neither party shall make or enter into such settlement or compromise without first obtaining the prior consent of the other thereto in writing, which consent shall not be unreasonably withheld, delayed or conditioned, and each party shall cooperate with the other in the prosecution of such claims, suits or actions, giving each other reasonable notice of the time and place of any negotiations for settlement or compromise. No pleading shall be filed in any suit or action without the consent of the other in writing, which consent shall not be unreasonably withheld, delayed or conditioned.

## ARTICLE XX

### Surrender

20.1 Condition of Premises. On the Expiration Date or upon any earlier termination of this Lease, or upon any reentry by Landlord upon the Premises pursuant to Section 21.2.2, Tenant shall quit and surrender the Premises, together with all Alterations which may have been made or installed in, on or to the Premises before or during the Term of this Lease, to Landlord free and clear of Tenant's Removable Property, all occupants, subtenants and licensees, and "broom-clean" and in good order, condition and repair and as Tenant is obligated to maintain the same under this Lease, excepting only (i) ordinary wear and use (subject to Tenant's compliance with Section 12.1) and (ii) those instances of damage by fire or other casualty for which, under other provisions of this Lease, Tenant has no responsibility of repair or restoration. Tenant shall remove all of Tenant's Removable Property and, to the extent specified by Landlord, all Alterations made by or on behalf of Tenant; and shall repair any damages to the Premises or the Building caused by such removal.

20.2 Acceptance by Landlord. No act or thing done by Landlord or its agents shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless in writing and signed by Landlord.

## ARTICLE XXI

### Default By Tenant; Landlord Remedies; Default by Landlord

21.1 Default by Tenant. The following occurrences are each an "Event of Default":



(a) Tenant fails to pay when due any installment of Base Rent or payment of Additional Rent to Landlord and such failure continues for five (5) Business Days after Tenant's receipt of written notice or demand from Landlord;

(b) Tenant fails to pay when due any Additional Rent to a third party and such failure continues for five (5) Business Days after Tenant's receipt of written notice or demand from such third party;

(c) This Lease or Tenant's interest herein is taken upon execution or by other process of law directed against Tenant, or is taken upon or subjected to any attachments by any creditor of Tenant or claimant against Tenant and the attachment is not discharged within ten (10) Business Days after its levy;

(d) Tenant files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or is dissolved, or makes an assignment for the benefit of creditors;

(e) Involuntary proceedings under any bankruptcy laws or insolvency act or for the dissolution of Tenant are instituted against Tenant or a receiver or trustee is appointed for all or substantially all of Tenant's Removable Property and assets and the proceeding is not dismissed or the receivership or trusteeship is not vacated within thirty (30) Business Days after institution or appointment;

(f) During any of the Lease Years specified in Section 7.5.3(b) of this Lease, Tenant fails to perform or comply with the agreements, terms, covenants and conditions set forth in such Section 7.5.3(b), and such failure continues until the first student attendance date of the Lease Year next beginning after Landlord delivers notice of such failure to Tenant;

(g) Tenant fails to perform or comply with any of the other agreements, terms, covenants, or conditions of this Lease and such failure continues for a period of twenty (20) Business Days after notice of such failure from Landlord to Tenant, or if such failure is of such a nature that Tenant cannot reasonably remedy the same within such twenty (20) Business Day period, Tenant shall fail to commence promptly to remedy the same and to diligently and continuously prosecute such remedy to completion;

(h) Tenant defaults under Tenant's Charter School contract, or Tenant's Charter School Contract shall be revoked or not renewed by the Authorizer or by any other entity that shall have the authority to revoke, terminate or renew such Charter School Contract, or such Charter School Contract shall otherwise cease to be in full force and effect; or

(i) Tenant fails to continuously occupy the Premises for the Permitted Use, and such vacancy continues for three (3) or more months (excluding, however, school vacations or breaks, or vacancy due to fire or other casualty).

21.2 Landlord's Remedies. If any one or more Events of Default set forth above occur, then Landlord may, at Landlord's election, give notice to Tenant of Landlord's intention to take the following actions:

21.2.1 To terminate this Lease on a date not less than ten (10) Business Days after the giving of such notice or any later date specified in the notice, and, on such date specified in the notice, Tenant's right to possession of the Premises shall cease and the Lease shall be terminated, except as to Tenant's liability set forth in this Section 21.2.1, as if the date fixed in the notice were the end of the term of this Lease. If the Lease is terminated pursuant to the provisions of this Section 21.2.1, Tenant shall be liable to Landlord for and shall pay to Landlord on demand damages in an amount equal to the Base Rent and Additional Rent that would have been owing by Tenant under this Lease for the balance of the Term if this Lease had not been terminated, less the net proceeds, if any, of reletting of the Premises by Landlord subsequent to the termination, after deducting all Landlord's expenses in connection with reletting, including without limitation the expenses set forth below; or

21.2.2 To re-enter and take possession of the Premises or any part of the Premises, repossess the Premises as of the Landlord's former estate; expel Tenant and those claiming through or under Tenant from the Premises; and remove the effects of both or either, without being deemed guilty of any manner or trespass and without prejudice to any remedies for arrears of rent or preceding breach of covenants or conditions. If Landlord elects to re-enter as provided in this Section 21.2.2, or if Landlord takes possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may, from time to time without terminating this Lease, relet the Premises or any part thereof, in Landlord's or Tenant's name but for the account of Tenant, for the term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease) and on such terms and conditions (which may include concessions of free rent and the alteration and repair of the Premises) as Landlord, in Landlord's discretion, may determine. Landlord may collect and receive the rents for the Premises. Landlord agrees to exercise reasonable efforts to re-rent the Premises to mitigate Landlord's damages; provided, however, that Landlord shall not be responsible or liable for any failure to relet the Premises, or any part of the Premises, or for any failure to collect any rent due upon the reletting. No re-entry or taking possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice or the specific intention is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, to exercise Landlord's right to terminate this Lease by giving Tenant written notice and in that event the Lease shall terminate as specified in the notice. If Landlord elects to take possession of the Premises according to this subparagraph without terminating the Lease, Tenant shall pay Landlord the rent and other sums which would be payable under this Lease as and when due through only the end of the current Term if the repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's expenses incurred in connection with the reletting, including without limitation all reasonable repossession costs, brokerage commissions, legal expenses, attorney's fees, expenses of employees, alteration, remodeling and repair costs and expenses of preparation for the reletting. If, in connection with any reletting, the new lease term extends beyond the existing Term, a fair apportionment of the rent received from the reletting and the expenses incurred in connection with the reletting shall be made in determining the net proceeds received from reletting. In addition, in determining the net proceeds from reletting, any rent concessions shall be apportioned over the term of the new lease.

21.3 Termination Upon Bankruptcy. If any Event of Default set forth in Sections 21.1(d) or 21.1(e) above occurs, then, anything elsewhere in this Lease to the contrary notwithstanding, this Lease may be canceled by Landlord by the sending of a written notice to Tenant within a reasonable time after the happening of such event. Neither Tenant nor any person

claiming through or under Tenant, or by reason of any statute or order of court, shall thereafter be entitled to possession of the Premises but shall forthwith quit and surrender the Premises. In the event of the termination of this Lease pursuant to this Section 21.3, Landlord shall forthwith, notwithstanding any other provisions of this Lease to the contrary, be entitled to recover from Tenant as and for liquidated damages in lieu of damages under Section 21.2, an amount equal to the difference between the Base Rent and Additional Rent reserved hereunder for the unexpired portion of the term demised and the fair reasonable rental value of the Premises for the same period. In the computation of such damages the difference between any installment rent becoming due hereunder after the date of termination and the fair and reasonable rental value of the Premises for the period of which such installment was payable shall be discounted to the date of termination at the rate of 4% per annum. If the Premises or any part thereof be relet by Landlord for the unexpired term of this Lease, or any part thereof, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of Base Rent and Additional Rent reserved upon such reletting shall be deemed to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting. Nothing herein shall limit or prejudice the right of Landlord to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to or less than the amount of the difference referred to above.

21.4 Remedies Cumulative; Enforcement Costs. No remedy in this Lease or otherwise conferred upon or reserved to Landlord shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute and every power and remedy given by this Lease to Landlord may be exercised from time to time and as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right, remedy or power arising from any default shall impair any such right, remedy or power or shall be construed to be a waiver of any such default. Tenant shall pay all reasonable costs and expenses (including, without limitation, attorneys' fees and expenses at both the trial and appellate levels) incurred by or on behalf of Landlord in connection with the successful enforcement of any rights of Landlord or obligations of Tenant hereunder, whether or not occasioned by an Event of Default.

21.5 Default by Landlord. Landlord shall in no event be in default under this Lease unless Landlord shall neglect or fail to perform any of its obligations hereunder and shall fail to remedy the same within twenty (20) Business Days after notice to Landlord specifying such neglect or failure, or if such failure is of such a nature that Landlord cannot reasonably remedy the same within such twenty (20) Business Day period, Landlord shall fail to commence promptly (and in any event within such twenty (20) Business Day period) to remedy the same and to prosecute such remedy to completion with diligence and continuity. Tenant expressly and knowingly waives the right to terminate this Lease on account of Landlord's default under this Lease. Except as expressly set forth below, Tenant's sole remedy on Landlord's default is an action for damages or injunctive or declaratory relief. If Landlord is in default of its obligations under Section 11.2 of this Lease and such default materially and adversely affects Tenant's use and enjoyment of the Premises, Tenant may notify Landlord in writing (with a simultaneous copy to Landlord's lender in order to be effective) of Tenant's intent to undertake such obligations, which notice shall contain the following bold print, all capital letters caption, "**FAILURE TO ACT WITHIN 10 BUSINESS DAYS MAY ENTITLE TENANT TO UNDERTAKE REPAIRS.**" So long as no Event of Default exists, and provided that Landlord does not dispute

that a default has occurred under Section 11.2, if Landlord does not commence to cure such default and diligently proceed to cure the same within ten (10) Business Days after Landlord receives the above notice, Tenant may undertake such obligations to the extent necessary to cure Landlord's default; provided, however, that (a) Tenant must perform such work in accordance with the requirements imposed upon Landlord in performing such work, (b) if the work affects the Building Systems, Tenant must employ the contractors utilized by Landlord for such work, and, (c) the work shall be subject to all of the terms and provisions of Section 6.3, and (d) Tenant's indemnification obligations under this Lease shall include the exercise of Tenant's rights under this Section 21.5. Except to the extent that such costs would constitute an expense payable by Tenant hereunder, if Tenant otherwise complies with this Section 21.5, Landlord shall reimburse Tenant its reasonable, out-of-pocket costs incurred in performing such obligations within twenty (20) Business Days after Landlord's receipt of substantiating invoices and unconditional lien releases from all vendors and mechanics involved in performing such obligations; provided, however, that if Landlord fails to reimburse Tenant in accordance with the foregoing and does not dispute the amount claimed by Tenant or the adequacy of the documentation provided by Tenant within ten (10) Business Days of Landlord's receipt of the foregoing information from Tenant (provided, however, that Landlord shall act reasonably in disputing the foregoing and any amount not reasonably disputed shall subject to the following offset), Tenant may offset the amount of such reimbursement against monthly installments of Base Rent until Tenant recovers such costs; provided, however, that no such offset may exceed twenty percent (20%) of any monthly installment of Base Rent. If Tenant exercises any rights under this Section 21.5 and any condition to the exercise of such rights is not satisfied, the same shall constitute an Event of Default. This Lease shall be construed as though Landlord's covenants contained herein are independent and not dependent, and Tenant hereby waives the benefit of any Law or statute to the contrary.

## ARTICLE XXII No Waivers

22.1 Failure to Require Strict Performance. The failure of either Party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, and such right to insist upon strict performance shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of Base Rent or partial payments thereof or Additional Rent or partial payments thereof with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach. Failure on the part of Landlord or Tenant to complain of any action or non action on the part of the other, no matter how long the same may continue, shall never be a waiver by Tenant or Landlord, respectively, of any of the other's rights hereunder. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

22.2 Partial Payments. No payment by Tenant, or acceptance by Landlord, of a lesser amount than shall be due from Tenant to Landlord shall be treated otherwise than as a payment on account of the earliest installment of any payment due from Tenant under the provisions hereof. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full,

shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant.

### ARTICLE XXIII Curing Tenant's Defaults

23.1 Landlord's Right to Perform. If Tenant shall default in the performance of any of Tenant's obligations under this Lease, Landlord, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Tenant, without notice in a case of emergency, and in any other case only if such default continues after the expiration of any applicable grace periods.

23.2 Landlord's Costs. Bills for any reasonable, out-of-pocket expenses incurred by Landlord in connection with any such performance by it for the account of Tenant, and bills for all costs, expenses and disbursements of every kind and nature whatsoever, including reasonable counsel fees and disbursements, involved in collecting or endeavoring to collect the Base Rent or Additional Rent or any part thereof or enforcing or endeavoring to enforce any rights against Tenant or Tenant's obligations hereunder, under or in connection with this Lease or pursuant to law, including any such cost, expense and disbursement involved in instituting and prosecuting summary proceedings or in recovering possession of the Premises after default by Tenant or upon the expiration or sooner termination of this Lease, and interest on all sums advanced by Landlord (at the Interest Rate or the maximum rate permitted by law, whichever is less) may be sent by Landlord to Tenant monthly, or immediately, at its option, and such amounts shall be due and payable as Additional Rent in accordance with the terms of such bills.

### ARTICLE XXIV Brokerage

Landlord and Tenant each represents and acknowledges to the other that it has not dealt with any real estate broker in consummating this Lease, and that no conversation or prior negotiations were had with any broker concerning the renting of the Premises. Landlord and Tenant each hereby holds the other harmless against any claim for brokerage commission(s) arising out of any dealings, conversations or negotiations had by either with any broker claiming to have dealt the indemnifying Party.

### ARTICLE XXV Notices

Any notices under this Lease must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a Party may designate to the other Parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the Party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next

Business Day after the day the Party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

**If to Landlord:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Glenn Pierce  
Facsimile: (310) 272-1581  
Email: gpierce@canyonagassi.com

**With Copies to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Bari Cooper Sherman, Esq.  
Facsimile: (310) 272-1537  
Email: bsherman@canyonagassi.com

**And to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Antonio Gonzales  
Facsimile: (310) 272-1490  
Email: agonzales@canyonagassi.com

**And to:** Quarles & Brady LLP  
411 East Wisconsin Avenue  
Suite 2350  
Milwaukee, WI 53202  
Attn: Michael J. Ostermeyer  
Facsimile: (414) 978-8956  
Email: michael.ostermeyer@quarles.com

**If to Tenant:** Southwest Detroit Lighthouse Charter Academy  
163 Madison Street  
Room 250  
Detroit, MI 48226  
Attn: Principal  
Facsimile: \_\_\_\_\_  
Email: \_\_\_\_\_@lighthouse-academies.org

**With Copy to:** Lighthouse Academies, Inc.  
1661 Worcester Road  
Framingham, MA 01701  
Attention: C. Anne LaTarte  
Facsimile: (508) 626-0905  
Email: alatarte@lighthouse-academies.org

Any notice by either Party hereto, whether required or permissible hereunder, may be given by such Party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such Party directly.

#### ARTICLE XXVI Estoppel Certificates

Within ten (10) Business Days following any written request which Landlord may make from time to time, Tenant shall execute and deliver to Landlord, any mortgagee or prospective mortgagee, any purchaser or prospective purchaser of Landlord or the Premises, a sworn statement certifying: (i) the date of commencement of this Lease; (ii) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications to this Lease, that this lease is in full force and effect, as modified, and stating the date and nature of such modifications); (iii) the date to which the rent and other sums payable under this Lease have been paid; (iv) the fact that there are no current defaults under this Lease by either Landlord or Tenant except as specified in Tenant's statement; and (v) such other matters as may be reasonably requested by Landlord. Landlord and Tenant intend that any statement delivered pursuant to this ARTICLE XXVI may be relied upon by any mortgagee, beneficiary or purchaser, and Tenant shall be liable for all loss, cost or expense resulting from the failure of any sale or funding of any loan caused by any material misstatement contained in such estoppel certificate. Tenant irrevocably agrees that if Tenant fails to execute and deliver such certificate within such ten (10) Business Day period Landlord or Landlord's beneficiary or agent may execute and deliver such certificate on Tenant's behalf, and that such certificate shall be fully binding on Tenant.

#### ARTICLE XXVII Holdover

If Tenant, with Landlord's written consent, holds over at the end of the Term of this Lease, Tenant shall become a tenant at will and any such holding over shall not constitute an extension of this Lease. During such holding over, Tenant shall pay rent and other charges at the highest monthly rate provided for herein and shall be subject to all conditions, provisions and obligations of this Lease in effect on the last day of the Term. If Tenant holds over at the end of the term without Landlord's written consent, such holding over shall be treated as a daily tenancy at sufferance at a rate equal to the greater of (i) 2 times the Base Rent then in effect and (ii) the fair market rent plus Additional Rent and other additional charges herein provided (prorated on a daily basis) and shall otherwise be on the terms and conditions set forth in this Lease as far as applicable. Without limiting the foregoing, Tenant shall also be responsible for, and indemnify and hold Landlord harmless from and against, all loss, cost and damage suffered by Landlord (including without limitation loss of rental or loss of a tenant) as a result of any such holding over.

#### ARTICLE XXVIII Representations and Warranties

28.1 Tenant. Tenant represents and warrants as follows:

28.1.1 There are no actions, suits or proceedings pending or, to the knowledge of Tenant, threatened against or affecting Tenant, at law or in equity or before any federal, state,

municipal or governmental department, commission, board, bureau, agency or instrumentality which would impair Tenant's ability to perform its obligations under this Lease;

28.1.2 This Lease has been duly authorized, executed and delivered by Tenant and constitutes the legal, valid and binding obligation of Tenant; and

28.1.3 The consummation of the transactions hereby contemplated and the performance of this Lease shall not result in any breach or violation of, or constitute a default under any Lease, bank loan or credit agreement to which Tenant is a party

28.1.4 .

28.2 Landlord. Landlord represents and warrants as follows:

28.2.1 There are no actions, suits or proceedings pending or, to the knowledge of Landlord, threatened against or affecting Landlord, at law or in equity or before any federal, state, municipal or governmental department, commission, board, bureau, agency or instrumentality which would impair Landlord's ability to perform its obligations under this Lease;

28.2.2 This Lease has been duly authorized, executed and delivered by Landlord and constitutes the legal, valid and binding obligation of Landlord; and

28.2.3 The consummation of the transactions hereby contemplated and the performance of this Lease shall not result in any breach or violation of, or constitute a default under any Lease, bank loan or credit agreement to which Landlord is a party.

## ARTICLE XXIX Miscellaneous Provisions

29.1 Liability of Landlord; Transfer of Landlord's Interest.

29.1.1 Tenant agrees to look solely to Landlord's equity interest in the Premises at the time of recovery for recovery of any judgment against Landlord, and agrees that neither Landlord nor any successor of Landlord shall be personally liable for any such judgment, or for the payment of any monetary obligation to Tenant. The provision contained in the foregoing sentence is not intended to, and shall not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or any successor of Landlord, or to take any action not involving the personal liability of Landlord or any successor of Landlord to respond in monetary damages from Landlord's assets other than Landlord's equity interest in the Premises.

29.1.2 Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Premises and in this Lease. Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease, and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder accruing after the date of transfer. Such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of any Security Deposit, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to any lender as security. Tenant agrees that such an assignment shall not release Landlord from its obligations hereunder and that



Tenant shall continue to look to Landlord for the performance of its obligations hereunder unless and until Landlord's lender succeeds to Landlord's interest under this Lease.

29.1.3 Notwithstanding any contrary provision herein, neither Landlord nor any Landlord Party shall be liable to Tenant or any Person claiming under Tenant under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring, or for any indirect or consequential damages.

29.1.4 Any repairs or restoration required or permitted to be made by Landlord under this Lease may be made during normal business hours, and Landlord shall have no liability for damages to Tenant for inconvenience, annoyance or interruption of business arising therefrom.

29.2 Recording. Landlord and Tenant agree not to record the within Lease, but simultaneously with their execution and delivery of this Lease to execute, deliver and record a Memorandum of Lease, in recordable form and in content substantially conforming to the form attached hereto as Exhibit G. In no event shall such document set forth rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

29.3 Confidentiality and Publicity.

29.3.1 Tenant agrees that (i) this Lease and the terms contained herein, (ii) all information regarding the Premises of whatever nature made available to Tenant or any Tenant Party by Landlord or any Landlord Party, and (iii) the results of all tests and studies of the Premises (altogether, collectively, the "**Confidential Information**") shall be treated as strictly confidential. Accordingly, neither Tenant nor any Tenant Party shall disclose the same to any third party without the written consent of Landlord; provided, however, that, Tenant shall not hereby be precluded from disclosure of Confidential Information that may be compelled by Legal Requirements, or from disclosing this Lease (and the terms contained herein) to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to Tenant by duties of confidence. Tenant acknowledges that the terms of this provision shall not limit Landlord from making Confidential Information available to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to Landlord by duties of confidence, as well as to brokers, lenders, principals, agents, employees, and others involved in any sale, financing, or other transfer of Landlord's interest in the Property.

29.3.2 If Tenant or any Tenant Party is required by Legal Requirements to provide this Lease or disclose any of its terms, or otherwise disclose any Confidential Information, Tenant shall give Landlord prompt notice of such requirement before making disclosure so that Landlord may seek an appropriate protective order. If Landlord does not seek or is not successful in obtaining a protective order and Tenant or such Tenant Party is compelled to make disclosure, Tenant or such Tenant Party shall only disclose portions of the Confidential Information that are required to be disclosed, and Tenant and such Tenant Party shall exercise reasonable efforts to obtain assurance that confidential treatment shall be accorded to the Confidential Information so disclosed.

29.3.3 Neither Tenant nor any Tenant Party shall at any time issue a press release or otherwise communicate with media representatives regarding this Lease, the Premises or any other Confidential Information unless such release or communication has received the prior written approval of Landlord, which may be granted or withheld in Landlord's sole discretion.

29.4 When Lease Becomes Binding; Entire Agreement. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein and this Lease expressly supersedes any proposals or other written documents relating hereto. The entire agreement between the Parties respecting the Lease of the Premises and all matters covered or mentioned in the Lease is contained in this Lease, which expressly incorporates all of the following:

- Exhibit A: Legal Description of the Premises
- Exhibit B: Commencement Date Certificate
- Exhibit C-1: Subordination Agreement
- Exhibit C-2: Guaranty
- Exhibit D: Development Summary
- Exhibit E: Schematic Plans
- Schedule E-1: Budget
- Exhibit F: Option to Purchase
- Exhibit G: Memorandum of Lease
- Exhibit H: Base Rent Schedule
- Exhibit J: Building Maintenance Checklist

This Lease may not be altered, changed or amended except by an instrument in writing signed by both Parties. This Lease may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord shall alter, change or modify any of the provisions hereof.

29.5 Unavoidable Delay. Except as expressly provided in this Lease, if Landlord or Tenant is delayed or prevented from performing any of its respective obligations because of strikes, lockouts, labor troubles, inability to procure materials, failure of power, governmental restrictions, litigation which results in an injunction prohibiting or otherwise delaying the continuity of such construction or other acts, or other reasons not within the reasonable control of the Party delayed in performing such obligation (each an "**Unavoidable Delay**"), then the period of such delays shall be deemed added to the time herein provided for the performance of any such obligation and the defaulting Party shall not be liable for losses or damages caused by such delays; *provided, however*, that this Section shall not (i) affect Tenant's obligation to pay Base Rent or any obligation of Landlord or Tenant that can be satisfied by the payment of money, or (ii) extend any date(s) for giving notice pursuant to Section 2.3.

29.6 Consent. If Tenant shall request Landlord's consent and Landlord shall fail or refuse to give such consent, Tenant shall not be entitled to any damages for any withholding by Landlord of its consent, it being intended that Tenant's sole remedy shall be an action for specific performance or injunction, and such remedy shall be available only in those cases where Landlord

has expressly agreed in writing not to unreasonably withhold its consent or where as a matter of law Landlord may not unreasonably withhold its consent. Furthermore, whenever Tenant requests Landlord's consent or approval (whether or not provided for herein), Tenant shall pay to Landlord, on demand, as Additional Rent, any reasonable expenses incurred by Landlord (including without limitation reasonable attorneys' fees and costs, if any) in connection therewith.

29.7 PATRIOT ACT. As an inducement to Landlord to enter into this Lease, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned or controlled directly or indirectly by, any person, group, entity or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("**OFAC**") pursuant to Executive Order 13224 or any similar list or any law, order, rule or regulation or any Executive Order of the President of the United States as a terrorist, "**Specially Designated National and Blocked Person**" or other banned or blocked person (any such person, group, entity or nation being hereinafter referred to as a "**Prohibited Person**"); (ii) Tenant is not (nor is it owned, controlled, directly or indirectly, by any person, group, entity or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) from and after the effective date of the above-referenced Executive Order, Tenant (and any person, group, or entity which Tenant controls, directly or indirectly) has not knowingly conducted and may not knowingly conduct business, nor has or may Tenant knowingly engage in any transaction or dealing with any Prohibited Person in violation of the U.S. PATRIOT Act or any OFAC rule or regulation, including without limitation any assignment of this Lease or any subletting of all or any portion of the Premises or the making or receiving of any contribution of funds, goods or services to or for the benefit of a Prohibited Person in violation of the U.S. Patriot Act or any OFAC rule or regulation. In connection with the foregoing, it is expressly understood and agreed that (x) any breach by Tenant of the foregoing representations and warranties shall be deemed an immediate Event of Default by Tenant under Section 21.1 of this Lease (without the benefit of notice or grace) and shall be covered by the indemnity provisions of Section 8.1, and (y) the representations and warranties contained in this subsection shall be continuing in nature and shall survive the expiration or earlier termination of this Lease.

29.8 No Partnership. The relationship of the Parties is that of landlord and tenant and no partnership, joint venture or participation is hereby created.

29.9 Excavation. If an excavation shall be made upon land adjacent to or under the Building, or shall be authorized to be made, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter the Premises for the purpose of performing such work as said person shall deem necessary or desirable to preserve and protect the Building from injury or damage to support the same by proper foundations, without any claim for damages or liability against Landlord and without reducing or otherwise affecting Tenant's obligations under this Lease.

29.10 Choice of Law. This Lease shall be governed by and construed in accordance with the laws of the State of Michigan. If any provisions of this Lease or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Lease and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. The captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Lease to be drafted. Each covenant,

agreement, obligation or other provision of this Lease on Tenant's part to be performed, shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, shall be deemed to include any other number and any other gender as the context may require.

29.11 Waiver of Jury Trial. Tenant hereby voluntarily and knowingly waives trial by jury, to the extent permitted by Legal Requirements, in any action, proceeding, or counterclaim by either Party against the other Party on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, any emergency or statutory remedy, or any act or omission of any Party with respect to this Lease or the Premises. In the event of litigation, this Lease may be filed as a written consent to a trial by the court without a jury.

29.12 Independent Covenants. This Lease shall be construed as though the covenants herein (including, without limitation, Tenant's obligation to pay Rent) between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.

29.13 Performance of Covenants after Subletting. Landlord acknowledges Tenant's intention to sublet all of the Premises to Subtenant on or before the Commencement Date, which subletting shall be subject to the limitations in ARTICLE XVI of this Lease, and on the terms and conditions of the Sublease Agreement set forth on the attached Exhibit K. Accordingly, Landlord acknowledges that, after such subletting, certain affirmative covenants and obligations required under this Lease to be performed by "Tenant" may be performed by Subtenant (as subtenant under the pertinent Sublease Agreement), and hereby consents to the same.

29.14 Successors and Assigns. Except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant (except in the case of Tenant, however, only such assigns as may be permitted hereunder) and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, successors and permitted assigns. Each term and each provision of this Lease to be performed by Tenant shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant.

29.15 Joint and Several Liability. If there is more than one (1) person or entity named as Tenant hereunder, the obligations of Tenants hereunder shall be joint and several obligations of each of Tenant. In accordance with the terms of this Lease, Landlord may proceed against any or all Tenants in the event of a default hereunder subject to any defenses as may be available to any Tenant.

29.16 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original. Executed counterparts of this Lease may be delivered electronically by facsimile or electronic mail, and such documents shall be effective as original executed instruments.

29.17 Jurisdiction. Landlord and Tenant hereby consent and submit irrevocably to the jurisdiction of the state and federal courts located in the State of Michigan with respect to the provisions of this Lease.

*[Signatures begin on next page.]*

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

TENANT:

**SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY**  
a Michigan nonprofit corporation

By:   
Name: Julie Feinberg  
Title: President

LANDLORD:

**CA DETROIT 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

TENANT:

**SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY**  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name:  
Title:

LANDLORD:

**CA DETROIT 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: Bari Cooper Sherman  
Title: Vice President

Legal	Acq/AM
28	/

**EXHIBIT A**  
Legal Description of the Premises

Lands situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Lots 39 through 54, both inclusive, West of 29th Street, including the adjacent vacated alley lying West of the West lines of Lots 39 through 53 and lying West of the West line of the South 11.20 feet of Lot 54, in Private Claim 30 of HAMMOND & RICH'S SUBDIVISION, as recorded in Liber 6 of Plats, Page 67, Wayne County Records.

ALSO,

Lots 28 through 43, both inclusive, and Lots 78 through 93, both inclusive, together with the part of vacated 30th Street which is North of Jackson Street, as platted, being adjacent to said Lots, also including the Easterly 3 feet of the North-South alley adjacent to said Lots 28 to 43, both inclusive, and the Westerly 3 feet of the North-South alley adjacent to said Lots 78 to 93, both inclusive, all of HERBERT BOWEN & GEORGE T. ABREY'S SUBDIVISION, as recorded in Liber 15 of Plats, Page 57, Wayne County Records.

ALSO,

Lots 21 through 36, and the North 20.1 feet of Lot 37, including the adjacent vacated alley lying East of the East lines of Lots 22 through 37 and lying East of the East line of the South 8.90 feet of Lot 21, of SCRIPPS AND BREARLEY'S SUBDN, as recorded in Liber 6 of Plats, Page 61, Wayne County Records. Except any other part of Lot 37 taken for street widening.



**EXHIBIT B**  
Commencement Date Certificate

This Agreement, made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ between CA DETROIT 4001 29S LLC, a Delaware limited liability company ("**Landlord**"), and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, a Michigan nonprofit corporation ("**Tenant**").

**WITNESSETH:**

**WHEREAS**, by a certain Lease (hereinafter called "the **Lease**"), dated as of the \_\_\_ day of \_\_\_\_\_, 2013, Landlord leased to Tenant the entire land and building known as 4001 29th Street in the City of Detroit, Wayne County, State of Michigan, and described on Exhibit A of the Lease (the "**Premises**"); and

**WHEREAS**, Tenant is now in possession of the Premises; and

**WHEREAS**, under the provisions of the Lease, Landlord and Tenant agreed to execute, acknowledge and deliver to each other an agreement setting forth the Rent Commencement Date.

**NOW, THEREFORE**, Landlord and Tenant agree as follows:

1. The Effective Date of the Lease was the \_\_\_ day of \_\_\_\_\_, 2013.
2. The Rent Commencement Date of the Lease was the \_\_\_ day of \_\_\_\_\_, 2013.
3. The Expiration Date of the Term is the 30th day of June, 2042.
4. The Base Rent as of the date hereof is \$ \_\_\_\_\_.
5. The Additional Rent payable to Landlord as of the date hereof is \$ \_\_\_\_\_.
6. The Lease is in full force and effect and has not been modified, supplemented or amended in any way.
7. That all terms and conditions to be performed by the Landlord and Tenant under the terms of the Lease have been satisfied unless noted in an appendix to this Agreement; that as of the date hereof, there are no existing defenses or offsets against the Landlord or Tenant under the Lease terms; and that no rent has been paid in advance, except as may be provided for in the Lease and the rent has continued to be paid in accordance with said lease since the Rent Commencement Date.
8. Tenant is in occupancy of the leased Premises.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement on the day and year first above written.

LANDLORD:

WITNESS:

CA DETROIT 4001 29S LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

WITNESS:

TENANT:

SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY,  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT C-1**  
Form of Subordination Agreement

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "**Agreement**") is executed as of the 15th day of February, 2013 (the "**Closing Date**") by and between Lighthouse Academies, Inc., a Delaware nonprofit corporation ("**Manager**"), CA DETROIT 4001 29S LLC, a Delaware limited liability company ("**Landlord**"), and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, a Michigan nonprofit corporation ("**Tenant**"). Each of Manager, Landlord, and Tenant shall be referred to for purposes of this Agreement as a "**Party**," and all collectively shall be referred to for purposes of this Agreement as the "**Parties**."

**RECITALS**

A. Landlord and Tenant will enter into that certain Lease Agreement dated of even date herewith (the "**Lease**"), pursuant to which Landlord will let to Tenant, and Tenant will lease from Landlord, certain "**Premises**" consisting of (i) real property at 4001 29th Street in the City of Detroit, Wayne County, Michigan, more particularly described on Attachment 1 attached to and made a part of this Agreement (the "**Land**"), (ii) the building located and/or to be constructed upon the Land, and (iii) all fixtures and improvements located therein and thereon, all as demised according to the terms of the Lease.

B. Tenant intends to operate at the Premises the "Southwest Detroit Lighthouse Charter Academy," a Michigan public school academy (the "**Charter School**"), authorized pursuant to that certain Contract to Charter a Public School Academy and Related Documents issued by The Grand Valley State University Board of Trustees issued to Southwest Detroit Lighthouse Charter Academy Confirming the Status of Southwest Detroit Lighthouse Charter Academy as a Public School Academy, issued under Michigan Compiled Laws § 380.503 and dated as of July 1, 2013.

C. Tenant and Manager executed that certain Development, Academic and Business Services Agreement dated as of February 5, 2013 and set forth on Attachment 2 attached to and made a part of this Agreement (the "**Management Agreement**"), pursuant to which Manager shall provide certain consulting services to Tenant.

D. Given Tenant's intentions (i) to enter into the Lease for the Premises and (ii) to operate the Charter School (with Manager's assistance) at the Premises, Manager shall materially benefit from Landlord's and Tenant's entering into the Lease.

E. Landlord would not enter into the Lease but for Tenant's and Manager's entering into this Agreement with Landlord.

F. Terms that are capitalized in this Agreement but not defined herein shall have the meanings set forth in the Lease. A copy of the Lease is set forth on the Attachment 3 attached to and made a part of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Subordination of Management Agreement. Manager hereby subordinates all of its right, title, and interest in and to any fee or services payment of any kind payable to Manager under the Management Agreement to the rights of Landlord under the Lease, including (without limitation) the rights of Landlord to receive payment of Rent and of all other sums due or owing under the Lease. Accordingly: the Management Agreement shall be, and is, subject, subordinate, and inferior to the Lease, and to all renewals, extensions, modifications, or amendments of the Lease; terms of the Lease and of this Agreement shall govern the rights of Landlord notwithstanding any contrary provision of the Management Agreement; and no fee or services payment of any kind due or owing under the Management Agreement may be paid by Tenant to Manager until any and all amounts then due or owing under the Lease shall have been paid to Landlord; provided that, notwithstanding the foregoing, Tenant may reimburse Manager for Manager's out-of-pocket expenses, advancements, fees, or loans incurred under Sections 2.25, 7.4, 7.7, and 7.8 of the Management Agreement notwithstanding that certain amounts may then be due or owing to Landlord under the Lease.

2. Modification of Management Agreement. Manager and Tenant hereby agree that the terms of the Management Agreement shall not be materially altered or amended without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed.

3. Termination of Lease or Right to Possess. Manager hereby agrees that, if the Lease shall expire or be terminated, or if Tenant's right to possess the Premises shall be terminated for any reason whatsoever, Landlord thereafter shall have no obligation to Tenant, Manager, or any other person or entity for any fee due or accruing under the Management Agreement, whether before or after the date of such expiration or termination. Manager acknowledges that the obligations of Tenant under the Management Agreement are personal obligations of Tenant.

4. Landlord's Cure Rights. The Management Agreement is in full force and effect and has not been amended or modified from the document set forth on Attachment 2. As of the Closing Date, there are no defaults under the Management Agreement, nor does there exist any failure or condition the continuation of which, with the passage of time, would constitute a default under the Management Agreement. Manager shall deliver to Landlord written notice of any default by Tenant under the Management Agreement and Landlord shall have the right, though not the obligation, for thirty (30) days after delivery of such notice to cure any such default before Manager may exercise any of its rights under the Management Agreement.

5. Landlord Not Obligated Under Management Agreement. Except only as otherwise expressly provided under this Agreement, Landlord shall have no liability or obligation whatsoever in connection with the Management Agreement.

6. Employee Status. Notwithstanding anything in the Management Agreement to the contrary, in no event shall Landlord (including its successors and assigns) or any Landlord Party be or be deemed the "Employer" of any of the person or entity working at the Premises. All employees of Manager working at the Premises shall be and remain the employees of Manager alone.

7. Landlord's Right to Modify the Lease. Landlord and Tenant may renew, extend, modify, or amend the Lease without notice to Manager and without prejudice to the rights of Landlord hereunder.

8. Notices. Any notices under this Agreement must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by

electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a Party may designate to the other Parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the Party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the Party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

**If to Landlord:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Glenn Pierce  
Facsimile: (310) 272-1581  
Email: gpierce@canyonagassi.com

**With Copies to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Bari Cooper Sherman, Esq.  
Facsimile: (310) 272-1537  
Email: bsherman@canyonagassi.com

**And to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Antonio Gonzales  
Facsimile: (310) 272-1490  
Email: agonzales@canyonagassi.com

**And to:** Quarles & Brady LLP  
411 East Wisconsin Avenue  
Suite 2350  
Milwaukee, WI 53202  
Attn: Michael J. Ostermeyer  
Facsimile: (414) 978-8956  
Email: michael.ostermeyer@quarles.com

**If to Tenant:** Southwest Detroit Lighthouse Charter Academy  
163 Madison Street  
Room 250  
Detroit, MI 48226  
Attn: Principal  
Facsimile: \_\_\_\_\_

Email: \_\_\_\_\_@lighthouse-academies.org

With Copy to: Lighthouse Academies, Inc.  
1661 Worcester Road  
Framingham, MA 01701  
Attention: C. Anne LaTarte  
Facsimile: (508) 626-0905  
Email: alatarte@lighthouse-academies.org

If to Manager: Lighthouse Academies, Inc.  
1661 Worcester Road  
Suite 207  
Framingham, MA 01701  
Attention: Michael Ronan  
Facsimile: (508) 626-0905  
Email: mronan@lighthouse-academies.org

Any notice by either Party, whether required or permissible hereunder, may be given by such Party's then-current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such Party directly.

9. No Joint Venture. Landlord and Manager have no obligation to each other except as provided (i) in this Agreement and (ii) in a Development Services Fee Agreement entered into between Landlord and Manager and dated of even date herewith. Manager shall not be a third party beneficiary with respect to any of Landlord's obligations to Tenant set forth in the Lease or this Agreement. The relationship of Landlord to Tenant is one of landlord and tenant, and Landlord is not a joint venturer or partner of Tenant.

10. Modifications. The Parties by mutual consent in writing may amend, modify, supplement, and waive any right under this Agreement. No oral modifications are permitted.

11. Partial Invalidity. If any provision of this Agreement, or the application of this Agreement to any person or circumstance, shall be invalid or unenforceable for any reason or to any extent, then the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the extent permitted by law.

12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.

13. Successors and Assigns. This Agreement shall be binding upon the successors and assigns of the Parties and shall inure to the benefit of the successors and assigns of Landlord.

14. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which shall constitute one and the same Agreement.

*[Signatures begin on next page.]*

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Closing Date.

MANAGER:

**Lighthouse Academies, Inc.,**  
a Delaware nonprofit corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

LANDLORD:

**CA Detroit 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

**Southwest Detroit Lighthouse Charter Academy,**  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Closing  
Date.

MANAGER:

**Lighthouse Academies, Inc.,**  
a Delaware nonprofit corporation

By: [Signature]  
Print Name: Michael Rosen  
Its: President

LANDLORD:

**CA Detroit 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

**Southwest Detroit Lighthouse Charter Academy,**  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_



IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Closing Date.

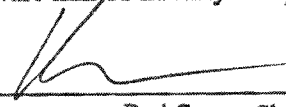
MANAGER:

**Lighthouse Academies, Inc.,**  
a Delaware nonprofit corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

LANDLORD:

**CA Detroit 4001 29S LLC,**  
a Delaware limited liability company

By:  \_\_\_\_\_  
Print Name: Bari Cooper Sherman  
Its: Vice President

TENANT:

**Southwest Detroit Lighthouse Charter Academy,**  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Closing Date.

MANAGER:

**Lighthouse Academies, Inc.,**  
a Delaware nonprofit corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

LANDLORD:

**CA Detroit 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

**Southwest Detroit Lighthouse Charter Academy,**  
a Michigan nonprofit corporation

By: Julie Feinberg  
Name: Julie Feinberg  
Its: President, Board SWDCA

Attachment 1 to Subordination Agreement

Legal Description of the Land

Lands situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Lots 39 through 54, both inclusive, West of 29th Street, including the adjacent vacated alley lying West of the West lines of Lots 39 through 53 and lying West of the West line of the South 11.20 feet of Lot 54, in Private Claim 30 of HAMMOND & RICH'S SUBDIVISION, as recorded in Liber 6 of Plats, Page 67, Wayne County Records.

ALSO,

Lots 28 through 43, both inclusive, and Lots 78 through 93, both inclusive, together with the part of vacated 30th Street which is North of Jackson Street, as platted, being adjacent to said Lots, also including the Easterly 3 feet of the North-South alley adjacent to said Lots 28 to 43, both inclusive, and the Westerly 3 feet of the North-South alley adjacent to said Lots 78 to 93, both inclusive, all of HERBERT BOWEN & GEORGE T. ABREY'S SUBDIVISION, as recorded in Liber 15 of Plats, Page 57, Wayne County Records.

ALSO,

Lots 21 through 36, and the North 20.1 feet of Lot 37, including the adjacent vacated alley lying East of the East lines of Lots 22 through 37 and lying East of the East line of the South 8.90 feet of Lot 21, of SCRIPPS AND BREARLEY'S SUBDN, as recorded in Liber 6 of Plats, Page 61, Wayne County Records. Except any other part of Lot 37 taken for street widening.

Attachment I to Exhibit C-1

Legal Description of the Land

Lands situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Lots 39 through 54, both inclusive, West of 29th Street, including the adjacent vacated alley lying West of the West lines of Lots 39 through 53 and lying West of the West line of the South 11.20 feet of Lot 54, in Private Claim 30 of HAMMOND & RICH'S SUBDIVISION, as recorded in Liber 6 of Plats, Page 67, Wayne County Records.

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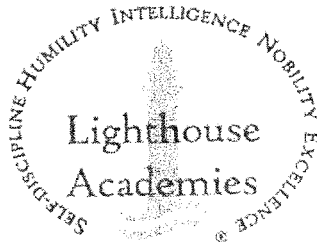
ALSO,

Lots 21 through 36, and the North 20.1 feet of Lot 37, including the adjacent vacated alley lying East of the East lines of Lots 22 through 37 and lying East of the East line of the South 8.90 feet of Lot 21, of SCRIPPS AND BREARLEY'S SUBDN, as recorded in Liber 6 of Plats, Page 61, Wayne County Records. Except any other part of Lot 37 taken for street widening.

Attachment 2 to Exhibit C-1

Copy of the Management Agreement

[Attached 40 pages]



DEVELOPMENT, ACADEMIC AND BUSINESS SERVICES

AGREEMENT

BY AND BETWEEN

LIGHTHOUSE ACADEMIES, INC.

AN EDUCATION SERVICE PROVIDER

AND

SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY

A MICHIGAN PUBLIC SCHOOL ACADEMY

Attachment 2 to Subordination Agreement

Copy of the Management Agreement

[Attached 39 pages]

Attachment 2 to Subordination Agreement

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DEVELOPMENT, ACADEMIC AND BUSINESS SERVICES AGREEMENT

BY AND BETWEEN

LIGHTHOUSE ACADEMIES, INC.

AN EDUCATION SERVICE PROVIDER

AND

SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY

A Michigan Public School Academy

This Michigan Public School Academy ("Academy") Development, Academic and Business Services Agreement (the "Agreement") is made and entered into as of \_\_\_\_\_, 2012 (the "Effective Date") by and between Lighthouse Academies, Inc., a Delaware not for profit corporation ("Lighthouse Academies") an Education Service Provider ("ESP") and Southwest Detroit Lighthouse Charter Academy, Inc. a Michigan nonprofit corporation ("SWDLCA"). Lighthouse Academies and SWDLCA are sometimes referred to individually as a "Party" and collectively the "Parties" in this Agreement.

RECITALS

WHEREAS, Lighthouse Academies is well established and recognized for its expertise in developing, managing and supporting the operation of the Academy in the United States; and

WHEREAS, SWDLCA has been formed to organize, establish and operate one or more Academies as defined by Public Act 451 of 1976 as amended and subject to any amendments and corresponding provisions of any future law of the State of Michigan related to the Academy; and

WHEREAS, SWDLCA will apply to Grand Valley State University for a Charter Contract to operate one or more Academies in Michigan; and

WHEREAS, Lighthouse Academies is willing and able to provide development services to assist SWDLCA in establishing an Academy consisting of consulting services including but not limited to the topics of: securing a Charter Contract from Grand Valley University; design of all facets of Academy operations; assistance with development of financial resources and preparation of an application for submission to Grand Valley State University for approval of the charter; and

WHEREAS, Lighthouse Academies is willing and able to provide the academic and business services required for the day to day operations of the Academy if and when SWDLCA secures a Charter Contract to operate an Academy, adequate funding and a Academy; and

WHEREAS, the Parties desire to create relationship through which they will work together to establish and operate one or more excellent Michigan Academies:

NOW, THEREFORE, for the mutual covenants and undertakings and other good and valuable consideration set forth in this Agreement, the sufficiency of which the Parties acknowledge, and intending to be legally bound, Lighthouse Academies and SWDLCA agree as follows:

1. **RECITALS ARE MATERIAL AND INCORPORATED IN AGREEMENT**

All of the Recitals above are material to, and incorporated in, this Agreement.

2. **DEFINITIONS**

As used in this Agreement, the words and phrases enumerated 2.1 through 2.36 are defined as follows:

2.1 **Academic and Business Services**

means all academic and business management services required to operate SWDLCA, a Michigan Public Academy including provision and use of the Lighthouse Academies Education Program, administration of the Academy's business and human resource affairs, budget development, recruitment, selection, supervision, management and employment of the Principal, teachers and all Academy Staff, compliance with applicable laws including but not limited to ADA, FMLA, FERPA and the Equal Employment Opportunity Act, design and implementation of all Academy policies and procedures, Facility maintenance and improvement, and selection and procurement of equipment, supplies, instructional materials and textbooks.

2.2 **Academy Operations Manual**

means a document created by Lighthouse Academies setting forth all standards and procedures with which Lighthouse Academies will comply in the operation of the Academy.

2.3 **Academy Personnel Handbook**

means a document created by Lighthouse Academies compliant with applicable law setting forth the employment policies and procedures applicable to all Academy Staff.

2.4 **Academy Student Handbook**

means a document created by Lighthouse Academies compliant with applicable law setting forth the Academy's policies and procedures applicable to Students.

2.5 **Annual Audit**

means an annual audit of the Academy conducted by an independent certified public accountant in compliance with applicable State and Federal laws, regulations and generally accepted accounting principles.

2.6 **Annual Budget**

means the annual budget of the Academy.

2.7 **Applicable Revenues**

means all revenues received by SWDLCA to operate the Academy except that Applicable Revenues shall not include food service revenues or restricted

donations unless the donor agrees in writing that a donation shall be included in Applicable Revenues.

**2.8 Charter Contract**

means one or more Charter Contract(s) between SWDLCA and Grand Valley State University that SWDLCA shall seek to obtain in order to organize and operate one or more Academies as defined by Public Act 451 of 1976 as amended and subject to any amendments and corresponding provisions of any future laws of the State of Michigan in effect during the Term of this Agreement. The Charter Contract, when and if obtained, shall be attached to and incorporated in this Agreement.

**2.9 Public Academy Law**

means the law of Michigan governing Public School Academies.

**2.10 Chief Administrative Officer**

means a member of the Non-Instructional Staff, or other person designated, who shall be responsible for managing the financial affairs of the Academy.

**2.11 Confidential Information**

means information developed, designed and/ or owned by a Party, not generally known or publicly available that the Party treats or maintains as confidential and not to be disclosed for legitimate professional or business purposes and confidential information the Party has received from a third party. Confidential Information shall not include any information that is available in the public domain.

**2.12 Development Fee**

means the fee to be paid by Southwest Detroit Lighthouse to Lighthouse Academies in consideration for the Development Services performed by Lighthouse Academies during the Term of this Agreement.

**2.13 Development Services**

means the consulting and advisory services performed by Lighthouse Academies to assist SWDLCA in obtaining a Charter Contract, and opening an Academy.

**2.14 Education Program**

means the academic curriculum, methods, policies and procedures including, but not limited to Proprietary Materials and Information used to operate the Academy that shall be provided by Lighthouse Academies.

**2.15 Facility**

means real property including land, a building or buildings and improvements suitable for use as an Academy that complies with all applicable building codes, zoning ordinances, laws and regulations applicable to a Facility that can accommodate:

- i. the Minimum Opening Enrollment during the initial Academy Year; and
- ii. the Minimum Enrollment Level for four (4) Academy Years following the initial Academy Year.

**2.16 Facility Contract**

means any and all documents required to secure use of a Facility for the Academy including but not limited to a lease or purchase contract for real

property and contracts for work required to prepare the Facility for occupancy and use by the Academy.

**2.17 Instructional Staff**

means employees of Lighthouse Academies who teach or assist in the teaching of students at the Academy.

**2.18 Material Adverse Change**

means

- i. a reduction of more than 5 percent in the available combined Federal and State funding for the Academy on a per pupil basis in comparison to the funding that is available for the fiscal year in which the effective date falls;
- ii. a reduction of more than 5 percent in the available combined Federal and State funding for the Academy on a per pupil basis in comparison to the funding that is available during any subsequent fiscal year;
- iii. the enactment, repeal, promulgation or withdrawal of any Federal, State, or local law, regulation, or court or administrative decision or order finding that this Agreement or the operation of the Academy in conformity with this Agreement or SWDLCA's Charter Contract Academy, or obligations under the Federal or State constitutions, statutes, laws, rules or regulations, or any contract or agreement,
- iv. failure to achieve Minimum Enrollment Levels set forth herein;
- v. failure to secure a suitable Facility for the Academy in a timely manner;
- vi. revocation of the Charter Contract by the Grand Valley University;
- vii. permanent loss of the Facility; or
- viii. damage to the Facility by reason of fire, flood or other act of God prevents provision of educational services to the Students required by law despite good faith efforts of the Parties to provide such services and/or secure the timely replacement of the damaged Facility by a temporary or permanent replacement Facility.

**2.19 Minimum Enrollment Level**

is the level set forth for each Academy Year in Section 5.17 of this Agreement. The Minimum Enrollment Level shall be the student enrollment on the first day of academic classes during each Academy Year during the Term of this Agreement.

**2.20 Non-Instructional Staff**

means employees of Lighthouse Academies who perform work at or for the Academy that is necessary to operate the Academy but who do not teach or assist in the teaching of Students.

**2.21 Opening Date**

means the first day on which Students are present at the Academy for academic instruction.

**2.22 Principal**

means the person in charge of the day-to-day operation of the Academy.



- 2.23 Proprietary Materials and Information**  
means materials and information developed, designed and/ or owned by a Party that are unique and used by the Party in the performance of its work, provision of its services, management of its affairs, design and or production of its products and services or for other good and valuable purposes.
- 2.24 Regional Vice President**  
means an employee of Lighthouse Academies who is a corporate representative charged with specific executive responsibility for day to day management of the affairs of Lighthouse Academies in the Target Area including oversight of all aspects of the operation of the Academy and supervision of the Principal.
- 2.25 Reimbursables**  
means any cost or expense incurred or expended by Lighthouse Academies in connection with organizing, opening, marketing, supporting, operating, or closing the Academy. Such expenses include those incurred performing Development Services prior to approval of the Charter, allocated in the Annual Budget, otherwise approved by Lighthouse St Louis or expended in closing the Academy should such action become necessary. Reimbursables shall include but not be limited to postage, printing, payroll processing, costs of fingerprinting and background checks of staff and others in contact with the students, third party consultants, marketing public relations and publishing costs, supplies, travel, legal and accounting fees. Reimbursables in excess of an approved budget must be reported to SWDLCA and included in a budget amendment approved by SWDLCA which approval shall not be unreasonably withheld and which approval may occur subsequent to an expenditure for a Reimbursable that was determined in the judgment of Lighthouse Academies necessary or desirable to properly and effectively operate the Academy.
- 2.26 Service Fee**  
means the fee to be paid by SWDLCA to Lighthouse Academies in consideration for the Academic and Business Services performed by Lighthouse Academies in operating the Academy during the Term of this Agreement.
- 2.27 Academy**  
means one or more Michigan Public School Academies that SWDLCA is authorized to operate by Charter Contract during the Term of this Agreement.
- 2.28 Academy Design**  
means the Education Program and the physical configuration of the Facility required to implement the Education Program.
- 2.29 Academy Staff**  
means the employees of Lighthouse Academies at the Academy including the Principal, Instructional Staff and Non-Instructional Staff.
- 2.30 Academy Year**  
means the period of time of approximately 190 days more or less during which Students attend Academy and shall generally begin on or about August 15 of a calendar year and conclude on or about June 15 of the following calendar year.

- 2.31 Grand Valley State University**  
means an institution authorized under Public Act 451 of 1976, as amended, to issue a Charter Contract under Michigan statute that is in effect during the Term of this Agreement.
- 2.32 State**  
means Michigan.
- 2.33 Student**  
means a person of Academy age who is enrolled to receive instruction at the Academy.
- 2.34 Target Area**  
means the City of Detroit, Michigan on the Effective Date of this Agreement.
- 2.35 Term**  
means the period of time during which this Agreement is effective as defined and subject to the provisions of Section 11 of this Agreement.

### **3. REPRESENTATIONS AND WARRANTIES**

#### **3.1 Representations and Warranties by Lighthouse Academies**

All representations and warranties made by Lighthouse Academies in this Section are relied on by SWDLCA and are material provisions of this Agreement. Lighthouse Academies represents and warrants as follows:

##### **3.1.1 Organization**

Lighthouse Academies is a non-stock, not for profit corporation duly organized under the laws of the State of Delaware, with the purpose and legal ability to contract to provide educational management services. Lighthouse Academies shall notify SWDLCA of any change in its corporate status, which change shall not affect this Agreement so long as Lighthouse Academies remains an entity authorized by law to be a party to this Agreement and perform its obligations hereunder.

##### **3.1.2 Authority**

Lighthouse Academies has all requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to otherwise perform the actions contemplated and specified in this Agreement. The person executing this Agreement on behalf of Lighthouse Academies is an officer of Lighthouse Academies and duly authorized by corporate resolution to execute the Agreement.

##### **3.1.3 Full Disclosure**

No representation or warranty made by Lighthouse Academies in this Agreement and no statement, information or certificate furnished or to be furnished by Lighthouse Academies in connection with this Agreement contains or will contain any untrue statement of a material fact or omits or will omit any material fact.

##### **3.1.4 Accountability to SWDLCA**

During the Term of this Agreement Lighthouse Academies shall be accountable to, and subject to oversight by, SWDLCA .

**3.1.5 Litigation**

There is no suit, claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body to which Lighthouse Academies is a Party or which may result in any judgment, order, decree, liability, award or other determination which will or may reasonably be expected to have a material adverse effect upon Lighthouse Academies' ability to perform its obligations under this Agreement. No such judgment, order, decree or award has been entered against Lighthouse Academies nor has any liability been incurred which has, or may reasonably be expected to have, such effect. There is no claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body involving Lighthouse Academies which will or may reasonably be expected to prevent Lighthouse Academies' ability to perform its obligations under this Agreement.

**3.1.6 Network of Charter Schools**

Lighthouse Academies provides services to a network of charter schools in the United States that use Proprietary Materials and Information of Lighthouse Academies including its Education Program, logo and name. Commitments and obligations of Lighthouse Academies to other schools in the network shall not interfere with or limit its ability to perform its obligations to SWDLCA under this Agreement. The experience of Lighthouse Academies in providing services to the network of charter schools enhances its ability to perform its obligations under this Agreement and to develop and continually improve the Education Program.

**3.1.7 Lighthouse Academies Officers and Directors**

No member of the board of directors, no corporate officer and no employee of Lighthouse Academies has committed, or during the term of this Agreement will commit, an act constituting a criminal offense, a morally offensive act, an act that could negatively impact the reputation of the Academy, or any other act involving dishonesty, disloyalty, fraud or breach of trust.

**3.1.8 Conduct of Lighthouse Academies**

Lighthouse Academies has complied, and at all times during the term of this Agreement will comply with all applicable local, State and Federal laws and regulations that are applicable to the Academy and SWDLCA. The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this

Agreement.”

**3.1.9 Records**

Lighthouse Academies shall be responsible for originating and maintaining full and complete records of the activities and decisions of SWDLCA and the Academy to ensure and document compliance with the laws and regulations mentioned in Section 3.1.7, above. All such records, whether originated and maintained by Lighthouse Academies or SWDLCA shall be the property of SWDLCA. Lighthouse Academies may make and keep a copy of all such records; agrees to provide SWDLCA with copies of all such records and the original records upon request, and to allow SWDLCA to inspect, supervise and assist with the preparation and maintenance of such records. In compliance with Section 503c, on an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy’s website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.

**3.1.10 Charter Contract**

Lighthouse Academies, with assistance from SWDLCA shall use its best efforts to obtain a Charter Contract from Grand Valley State University in a timely manner.

**3.2 Representations and Warranties by SWDLCA**

All representations and warranties made by SWDLCA, in this Section are relied on by Lighthouse Academies and are material provisions of this Agreement. SWDLCA represents and warrants as follows:

**3.2.1 Organization**

SWDLCA is and will maintain itself as a Michigan Public School Academy in good standing and at all times during the term of this Agreement will have the legal ability to contract to operate an Academy and to contract with ESP for management services.

**3.2.2 Authority**

SWDLCA has all requisite power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to otherwise perform the actions contemplated and specified in this Agreement. The person executing this Agreement on behalf of SWDLCA is an officer of SWDLCA and duly authorized by corporate resolution to execute the Agreement.

**3.2.3 Full Disclosure**

No representation or warranty of SWDLCA in this Agreement and no

statement, information or certificate furnished or to be furnished by SWDLCA in connection with this Agreement contains or will contain any untrue statement of a material fact or omits or will omit any material fact.

**3.2.4 Accountability to Grand Valley State University**

During the Term of this Agreement SWDLCA shall be accountable to, and subject to oversight by Grand Valley State University.

**3.2.5 Network of Charter Schools**

SWDLCA understands and acknowledges that the Academy will be part of a network of charter schools developed, operated and/or otherwise assisted by Lighthouse Academies. SWDLCA agrees that the Academy shall be operated consistent with the norms of the Lighthouse Academies network established by Lighthouse Academies.

**3.2.6 Litigation**

There is no suit, claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body to which SWDLCA is a Party or which may result in any judgment, order, decree, liability, award or other determination which will or may reasonably be expected to have a material adverse effect upon SWDLCA's ability to perform its obligations under this Agreement. No such judgment, order, decree or award has been entered against SWDLCA nor has any liability been incurred which has, or may reasonably be expected to have, such effect. There is no claim, action or proceeding now pending or threatened before any court, grand jury, administrative or regulatory body, government agency, arbitration or mediation panel or similar body involving SWDLCA which will or may reasonably be expected to prevent SWDLCA's ability to perform its obligations under this Agreement.

**3.2.7 SWDLCA Officers and Directors**

No member of the board of directors and no officer of SWDLCA has committed an act constituting a criminal offense, a morally offensive act, an act that could negatively impact the reputation of the Academy, or any other act involving dishonesty, disloyalty, fraud or breach of trust.

**3.2.8 Conduct of SWDLCA**

SWDLCA has complied, and at all times during the term of this Agreement will comply with all applicable local, State and Federal laws and regulations that are applicable to it as a Michigan nonprofit corporation including the requirements of the Public School Academy Law.

**3.2.9 Records**

SWDLCA has maintained and will maintain adequate records of the activities and decisions of SWDLCA to ensure and document compliance with the laws and regulations mentioned in Section 3.2.8, above. SWDLCA agrees to provide Lighthouse Academies with copies of all such records upon request and to allow Lighthouse Academies to, at its discretion, assist

with the preparation and retention of such records.

**3.2.10 Charter Contract**

SWDLCA, with assistance from Lighthouse Academies shall use its best efforts to obtain a Charter Contract from Grand Valley State University in a timely manner.

**4. DEVELOPMENT SERVICES**

Lighthouse Academies shall perform Development Services for SWDLCA that shall consist of consulting and advisory services to assist SWDLCA in obtaining a Charter including, but not limited to, identification of a Grand Valley State University, preparation of the application for a Charter Contract, and the selection of all academic and business services required to operate the Academy. In consideration for performing the Development Services, SWDLCA shall pay Lighthouse Academies a Development Fee as set forth in Section 7.4 of this Agreement.

**5. LIGHTHOUSE ACADEMIES OPERATION OF ACADEMY UPON CHARTER APPROVAL**

If and when the Charter Contract is approved by Grand Valley State University, the Parties agree that Lighthouse Academies shall operate the Academy pursuant to the terms and conditions of this Agreement regarding the day to day operation of the Academy by Lighthouse Academies. Upon approval of the Charter Contract by Grand Valley State University, all provisions of this Agreement regarding operation of the Academy shall be in full force and binding on, and enforceable by, the Parties. Thereafter, Lighthouse Academies shall operate the Academy pursuant to the terms and conditions of this Agreement, the Charter Contract, Public School Academy Law, the Annual Budget, Academy Operations Manual, Academy Personnel Handbook, Academy Student Handbook, Education Program and all applicable Federal, State and local laws and regulations by performing Academic and Business Services required to operate the Academy subject to oversight by SWDLCA. Professional, competent and timely performance of all Academic and Business Services by Lighthouse Academies are material provisions of this Agreement. In consideration for performance of the work of operating the Academy, SWDLCA shall pay Lighthouse Academies a Service Fee as set forth in Section 7.5 of this Agreement. Specific Academic and Business Services to be performed by Lighthouse Academies shall include:

**5.1 Academy Management**

Manage all day to day operations of the Academy and establish, implement, evaluate, review and continually develop and improve the Education Program.

**5.2 Academy Policies and Handbooks**

Make appropriate professional recommendations to SWDLCA concerning all policies and procedures required to manage and operate the Academy. Upon approval by SWDLCA, those policies and procedures shall be published in the Academy Student Handbook which Lighthouse Academies shall follow in day to day management of the Academy. The Academy Student Handbook shall be

subject to annual review and revision as necessary by Lighthouse Academies and any revisions shall be subject to approval by SWDLCA. Approval of the handbook by SWDLCA shall not be unreasonably withheld.

**5.3 Principal**

Employ the Principal who shall be employees at will of Lighthouse Academies. Lighthouse Academies shall have the authority and responsibility, consistent with State law, to recruit, select, hire and evaluate the Principal and to hold him or her accountable for the success of the Academy. Academy funds shall be used to compensate the Principal and Lighthouse Academies shall consult with SWDLCA on the compensation of the Principal. Lighthouse Academies agrees that SWDLCA shall conduct an annual review the performance of the Principal and SWDLCA shall have the right to make a recommendation to Lighthouse Academies at any time regarding the continuing employment of the Principal, which recommendation shall be reasonably considered by Lighthouse Academies.

**5.4 Human Resources**

Employ all Academy Staff and management of all human resource and personnel functions including determination of staffing levels, selection of personnel, determination of staff responsibilities, compensation and other terms and conditions of employment, evaluation, training and discipline of personnel.

**5.5 Due Process and Discipline of Students**

Comply with all due process requirements secured by State and Federal laws and regulations including, but not limited to, laws and regulations regarding discipline, special education, privacy, special needs, disabilities and access to records. The Academic and Business Services provided by Lighthouse Academies pursuant to this Agreement including the provisions of its Academy Operations Manual and Academy Student Handbook shall comply with such due discipline requirements. The Principal shall have the authority to discipline or expel a student as provided by law pursuant to the policies and procedures of the Academy Operations Manual and Academy Student Handbook.

**5.6 Selection of Instructional and Non-Instructional Staff**

Recruit, evaluate and select Instructional Staff and Non-Instructional Staff for which functions the Principal and Lighthouse Academies shall have full authority and responsibility.

**5.7 Employees at the Academy**

Employ all persons working at the Academy except subcontracted personnel. All employees of Lighthouse Academies shall be employees at will subject to the terms and conditions of the Academy Personnel Handbook and the Academy Operations Manual. Under no circumstances shall SWDLCA be considered an employer or co-employer of Academy staff. Lighthouse Academies shall be responsible for compliance with all laws and regulations applicable to its responsibilities as an employer and shall indemnify, defend and hold harmless SWDLCA from any and all claims of any type whatsoever arising out of or related

to employment of staff including claims made by an employee against Lighthouse Academies and claims that may be based on the alleged negligence or misconduct of employees of Lighthouse Academies. Any member of the Academy Staff whose performance is evaluated as unacceptable shall be subject to termination. Lighthouse Academies' employment of Academy Staff shall also be subject to the following:

- i. staff shall be selected and assigned duties by the Principal with guidance provided by Lighthouse Academies and the Regional Vice President;
- ii. staff shall be subject to performance reviews consistent with the policies and procedures set forth in the Academy Personnel Handbook;
- iii. staff shall be subject to reasonable non-compete and non-solicitation provisions consistent with applicable law to protect the interests of Lighthouse Academies but not prevent any staff member from earning a living; and
- iv. staff shall be required to be present during each work day of the Academy Year and attend all professional development training during the Academy Year, prior to the Opening Date and/or the first day of each subsequent Academy Year.

**5.8 Certification and Accreditation of Academy Staff**

Provide oversight and advice to SWDLCA regarding any required Michigan State Department of Education requirements for certification and/or accreditation and/or applicable waivers thereof concerning Academy Staff and Lighthouse Academies shall secure required certification, accreditation and/or waivers.

**5.9 Professional Development and Training**

Provide professional development for the Principal and Instructional Staff and appropriate training for Non-Instructional Staff.

**5.10 Annual Budget**

Prepare and provide SWDLCA with a projected Annual Budget prior to Opening Date and on or before the first day of March of each year following the Opening Date during the Term of this Agreement. On or before April 1 of each Academy Year after the Opening Date during the Term of this Agreement or any renewal term Lighthouse Academies and SWDLCA shall mutually agree to an Annual Budget. The Annual Budget for the Academy shall provide for payment of all operating expenses related to the operation or opening of the Academy, including, but not limited to reimbursement to Lighthouse Academies of certain expenses including Lighthouse Academies' Service Fee, Development Fee, Reimbursables and any structured repayment of debt owed to Lighthouse Academies by SWDLCA. Lighthouse Academies shall act as the disbursement agent on behalf of SWDLCA for timely payment of all such agreed upon Annual Budget expenditures from funds available and held for these purposes in SWDLCA bank accounts. Lighthouse Academies shall provide documentation to SWDLCA for all such expenditures. SWDLCA shall retain the ability to disapprove any expenditure not within the Academy's approved Annual Budget



or otherwise approved by SWDLCA.

**5.11 Financial Controls, Systems, Reports and Duties**

The Board Treasurer shall serve as the "Chief Administrative Officer" of the Academy. Lighthouse Academies shall serve as the agent for the Chief Administrative Officer who shall select, install and manage effective financial controls and systems to perform all required financial management and accounting functions, which may include use of web based services and training staff to use the financial systems accurately and efficiently. Financial controls and systems must be approved by SWDLCA and such approval shall not be unreasonably withheld. The Chief Administrative Officer shall prepare monthly financial statements for the Academy to be submitted to SWDLCA and used by Lighthouse Academies in management of the Academy. Lighthouse Academies shall be authorized by SWDLCA to use and disburse SWDLCA funds to operate the Academy provided that such use and disbursement is provided for in the Annual Budget. The Chief Administrative Officer and one or more other employees of Lighthouse Academies shall be designated by resolution of the SWDLCA Board of Directors to be signatories on the Academy's Academy bank account(s). Lighthouse Academies shall have no responsibility to make any budgeted or otherwise authorized purchases or disbursements unless funds are available in the Academy bank account.

**5.12 Payroll, Employee Salaries and Benefits**

Pay salaries, fringe benefits, and State and Federal payroll taxes of the Academy Staff. Lighthouse Academies may use a third party payroll service.

**5.13 Special Education and ELL Services**

Provide an appropriate education to all students enrolled in the Academy, regardless of need in accordance with the requirements of Federal and State law. Lighthouse Academies may contract as necessary and appropriate with a municipal, public or private contractor or otherwise for the provision of such special education or English language learner services.

**5.14 Instructional Materials**

Select instructional materials, equipment and supplies

**5.15 Academy Year**

Provide the Education Program during the Academy Year of approximately 190 days of regular instruction for students. Lighthouse Academies may extend the Academy Year, subject to the Charter, approval of SWDLCA and available funds. The calendar and schedule for the Academy Year shall be developed annually by the Principal in consultation with Lighthouse Academies and SWDLCA, and shall extend from on or about August 15 to on or about June 15 of the following calendar year.

**5.16 Academy Day**

Provide the Education Program during the Academy day which shall be approximately eight hours each weekday except holidays during the Academy Year for students in Grades 1 through 12. The daily schedule for Pre-Kindergarten (if

there is a Pre-Kindergarten at the Academy) and Kindergarten will be set prior to the Opening Date.

**5.17 Projected Opening Date and Minimum Enrollment Levels**

Determine with SWDLCA the exact Opening Date for the first Academy Year that as of the Effective Date is projected to be a day in August, 2013 provided the Facility is ready for occupancy and the Minimum Enrollment Level is met. The projected Opening Date may be changed by amendment to this Agreement pursuant to Section 12.12. Should Lighthouse Academies be unable to recruit a sufficient number of Students to reach the Minimum Enrollment Level prior to the Opening Date, the Opening Date may be postponed for one year or otherwise by duly executed amendment of this Agreement pursuant to Section 12.12. The Minimum Enrollment Level for the first five Academy Years during the Term of this Agreement shall be:

Year 1:	287
Year 2:	321
Year 3:	364
Year 4:	406
Year 5:	450

**5.18 Recruitment of Students**

Recruit Students by marketing the Academy and providing information to the public in the Target Area. Lighthouse Academies shall specifically seek to recruit a Student body that reflects the diversity of the population in the Target Area including, but not limited to, academic skill, race, economic means, religious practice, ethnicity, physical ability or disability and national origin.

**5.19 Admission of Students**

Establish an admissions process that is accessible to all applicants. Admission shall be open to all persons who are eligible to attend a public Academy in the State of Michigan on a space-available basis without regard to the person's race, color, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, proficiency in the English language, academic achievement, or any other category, status or reason that would prohibit a public Academy from denying admission to any person. If there are more applications for enrollment in the Academy than there are spaces available, Students shall be selected by a fair, transparent, random selection process. However, preference for enrollment will be given to siblings of students enrolled in the Academy and to students who were enrolled in the Academy in the previous Academy Year as well as staff and board members children.

**5.20 Family Educational Rights and Privacy Act**

Comply with the Family Educational Rights and Privacy Act ("FERPA"). SWDLCA agrees that Lighthouse Academies, in order to perform its obligations to operate the Academy under this Agreement, has a legitimate interest and needs to maintain and have access to records that are subject to FERPA. Lighthouse Academies, for

itself, its officers and employees warrants and affirms that it shall comply with FERPA at all times.

**5.21 State and Federal Waivers**

Identify and recommend SWDLCA seek waivers of Federal or State laws, rules or regulations that unnecessarily or unduly interfere with the provision of Academic and Business Services by Lighthouse Academies pursuant to this Agreement if appropriate and substantiated by good and legitimate reasons. SWDLCA, subject to agreement with such recommendations and concurrence by Grand Valley University, shall, with assistance from Lighthouse Academies, apply for the waiver of any such Federal or State rules or regulations.

**5.22 Inventory and Ownership of Property**

Inventory and account of all real and personal property purchased by SWDLCA or Lighthouse Academies for the Academy with SWDLCA funds. Such inventory and accounting may be performed by a subcontractor paid for with Academy funds. SWDLCA shall be the lawful owner of all such property.

**5.23 Academy Performance Evaluation**

Establish and implement performance evaluations systems that shall:

- i. permit evaluation of the educational progress of each student at the Academy;
- ii. ensure that the Students take all State required standardized tests in accordance with State laws and regulations;
- iii. ensure that the students take a nationally recognized standardized test in both the fall and spring of each Academy Year;
- iv. maintain detailed statistical information on the performance of the Academy as a whole, the performance of each grade and of each Student; and
- v. identify and measure other meaningful indicators of Student and Academy performance, including but not limited to parent involvement and parent, teacher, and student satisfaction.

**5.24 Annual Reports**

Prepare and provide comprehensive annual reports to SWDLCA on Academy operations, finances, including detailed reports regarding budgeted versus actual expenditures, and student performance within 30 days of the end of each calendar year. Nothing in this Section shall be construed to relieve SWDLCA of its legal authority and responsibility for the Academy under the Charter but shall be construed to confirm Lighthouse Academies' accountability to SWDLCA for the operation of the Academy and Student achievement. Lighthouse Academies shall prepare and provide SWDLCA with such reports as Grand Valley State University and the State require for SWDLCA to comply with the terms and conditions of this Agreement, the Charter, Public School Academy Law and all other applicable laws and regulations.

**5.25 Corrective Action Plan**

Cooperate and participate if necessary or appropriate, in any corrective action

plan required by SWDLCA, Grand Valley State University and/or the State to improve Student performance of remedy any breach of the Charter Contract, Academy Public Academy Law or Federal, State and local laws and regulations that in any way involves services provided under this Agreement by Lighthouse Academies.

**5.26 Prohibited Subcontracts**

Refrain from subcontracting performance of the Education Program or management and supervision of Instructional Staff except as specifically provided in this Agreement, or as otherwise agreed upon in writing by SWDLCA.

**5.27 Permitted Subcontracts**

Subcontract as appropriate with approval of SWDLCA for the provision of certain services required by Students including English as a Second Language, arts programs, psychological, social and special education and special needs services and the performance of Non-Instructional services including but not limited to food service, building maintenance, payroll and technology support services. All subcontracts shall be in writing, provided for in the Annual Budget, subject to the terms and conditions of this Agreement, the Charter and applicable State law. No subcontract shall relieve or discharge Lighthouse Academies from any obligation under this Agreement.

**5.28 Location of Performance**

Perform Academic and Business Services at the Facility or at an office near the Facility except for certain functions that may be performed more efficiently off-site at Lighthouse Academies' central services division or elsewhere unless prohibited by State law, the Charter Contract.

**5.29 Use of Web Based Services**

Use web based programs and/or vendors as appropriate to provide Academic and Business Services of equal or greater quality in a more effective and/or efficient and/or less costly manner.

**5.30 Other Services and Actions**

Perform such other and further services and to take such other actions as may be required by its obligations under this Agreement and the Charter that in the reasonable opinion of Lighthouse Academies may be necessary or desirable to properly and effectively operate the Academy. Such other and further services and actions shall be reported to SWDLCA and, if they require amendment to the Annual Budget, such budget amendment shall be subject to approval by SWDLCA which approval shall not be unreasonably withheld and which approval may occur subsequent to an expenditure for a service or action that was determined in the judgment of Lighthouse Academies necessary or desirable to properly and effectively operate the Academy.

**6. DUTIES AND OBLIGATIONS OF SWDLCA**

Professional, competent and timely performance of the duties and obligations of

SWDLCA set forth in this Section are material provisions of this Agreement.

**6.1 SWDLCA Board of Directors Meetings**

SWDLCA shall provide at least 48 hours written notice by fax or by electronic mail to Lighthouse Academies of all meetings of the SWDLCA Board of Directors and shall provide Lighthouse Academies with the proposed agenda of such meetings. SWDLCA shall provide Lighthouse Academies with copies of the minutes of all meetings of the SWDLCA Board and any committees thereof. In addition, Lighthouse Academies shall have the right to designate an individual to attend each meeting of the SWDLCA Board (the "Observer"). SWDLCA shall allow the Observer to attend all board functions and all meetings of SWDLCA or any committee thereof, including executive sessions. Notwithstanding the foregoing, SWDLCA, at its sole and absolute discretion, may exclude the Observer from any meeting held in executive session to discuss or act on this Agreement provided that SWDLCA notifies Lighthouse Academies that such a meeting is being held.

**6.2 Provision of a Suitable Academy Facility**

Lighthouse Academies shall undertake its best efforts to locate a Facility for SWDLCA in the Target Area. SWDLCA will not enter in a Facility Contract without the prior written confirmation from Lighthouse Academies that the Facility and Facility Contract are acceptable to Lighthouse Academies. In the event the Facility Contract includes a real property lease, SWDLCA shall make commercially reasonable efforts to require the lessor to maintain the real property in accordance with all applicable Federal, State, and local laws, codes, rules, and regulations. The Facility shall be covered by adequate insurance to protect the interests of Lighthouse Academies and SWDLCA in the event of damage, loss or partial loss to the property.

**6.3 Equipment**

SWDLCA shall use its best efforts to provide equipment required to operate the Academy which shall include but not be limited to desks and other furniture, technology, library and media materials, and other materials and furnishings required by the Education Program and provision of Academic and Business Services by Lighthouse Academies. SWDLCA acknowledges it has full responsibility for the procurement of equipment and may request assistance from Lighthouse Academies in the identification and procurement of suitable equipment.

**6.4 Academy Student Handbook**

SWDLCA shall review and approve the recommendations of Lighthouse Academies Student Handbook which approval shall not be unreasonably withheld.

**6.5 Annual Budget**

SWDLCA shall review the Annual Budget for the Academy and all budget adjustments recommended during the Academy Year by Lighthouse Academies upon timely presentation by Lighthouse Academies and shall have full and total

authority to approve the Annual Budget and any adjustments thereto.

**6.6 Accounting, Bookkeeping, Procurement, and other Financial Functions**

SWDLCA shall review and have the right to approve the financial systems recommended by Lighthouse Academies, which may be web based and shall retain oversight responsibility for all accounting, bookkeeping, procurement, and other financial functions performed pursuant to this Agreement by Lighthouse Academies.

**6.7 Records**

All financial, educational and other records pertaining to the Academy, whether generated by Lighthouse Academies or SWDLCA are the property of SWDLCA and subject to inspection pursuant to all applicable law including but not limited to the United States Internal Revenue Code, Public School Academy law and the Michigan Open Meeting Act and Freedom of Information Act.

**6.8 Payroll, Employee Salaries, and Benefits**

SWDLCA shall be responsible for providing sufficient funds to Lighthouse Academies for the payment of the approved salaries, fringe benefits, and State and Federal payroll taxes for employees at the Academy from the funds provided by the State based on Student attendance at the Academy.

**6.9 Annual Audit**

SWDLCA shall conduct an Annual Audit in compliance with Michigan law and regulations showing the manner in which funds are spent at the Academy. The Annual Audit shall be performed by a certified public accountant selected by the Board of Directors. Lighthouse Academies will cooperate fully with the audit and make available all records of Lighthouse Academies related to the Academy and SWDLCA that are in possession or under the control of Lighthouse Academies.

**6.10 Authority during the Term of this Agreement**

No officer, agent or director of SWDLCA shall attempt to perform any duties or exercise any authority that Lighthouse Academies is authorized to perform by this Agreement.

**7. FUNDING, FEES, REIMBURSABLES, AND LOANS**

**7.1 SWDLCA**

SWDLCA shall make every reasonable effort with the guidance and assistance of Lighthouse Academies to comply with the requirements of Public School Academy Law and Charter Contract for the purpose of receiving or maintaining its eligibility to receive State funds based on Student attendance. Lighthouse Academies shall provide documentation and assistance to SWDLCA to comply with this commitment. SWDLCA shall permit Lighthouse Academies to review all documents, applications, and reports prior to their submission to State authorities. Lighthouse Academies shall assist SWDLCA in applying for all available State funds and funds available from other sources to support and operate the Academy. Grand Valley State University shall be the fiscal agent for

the Academy. SWDLCA may authorize Lighthouse Academies to perform fiscal duties and to be a signatory on SWDLCA bank accounts subject always to full disclosure by Lighthouse Academies of all of its fiscal activities that use or involve SWDLCA funds and subject to the oversight of SWDLCA.

**7.2 Donations and Grants**

SWDLCA and Lighthouse Academies may solicit grants and donations of money, services, and/or real and personal property to support the Academy subject to formal approval, acceptance and receipt by SWDLCA.

**7.3 Extracurricular Fees**

Consistent with local practice and as allowed by law, SWDLCA may charge fees to students for extra services such as summer activities, extracurricular clubs, and after Academy activities.

**7.4 Development Fee**

As soon as SWDLCA has sufficient funds available, it shall pay Lighthouse Academies a Development Fee of fifty-thousand dollars (\$50,000) in consideration for the Development Services performed by Lighthouse Academies in the start-up year (2011-2012).

**7.5 Service Fee**

SWDLCA shall pay, a Service Fee to Lighthouse Academies in consideration for the Academic and Business Services performed by Lighthouse Academies in this Agreement. The Service Fee shall be Ten Percent (10%) of Applicable Revenues and shall be paid in installments with each installment due and payable on the first day of each month effective July, 1 2013 if the Academy is to open for the 2013-2014 Academy year, or on the first day of July of any subsequent year during the term of this Agreement in which the Academy will open providing that funds from the state have been received and if not within five (5) days after the receipt of the state funds. The minimum annual service fee shall be Ten Percent (10%) of the applicable revenue as defined in section 2.7 of this Agreement for the minimum enrollment stated in section 5.17 of this Agreement. The maximum annual service fee shall be Ten Percent (10%) of the applicable revenues as defined in section 2.7 of this Agreement for full enrollment approved by the Board in the annual budget. Any Service Fee shall be subject to interest of four and one half percent (4.5%) if not paid by the Academy within thirty (30) days after becoming due or five (5) days after receipt of the state funds, whichever comes first. Such interest shall begin to accrue on the unpaid balance of the Service Fee on the thirty first (31<sup>st</sup>) day after the Service Fee was due to the sixth (6<sup>th</sup>) day after receipt of state funds. When funds are available, SWDLCA shall pay as much of the unpaid Service Fee and accrued interest, if any, as it is able to pay without adversely affecting the operation of the Academy.

**7.6 Academy Expenses**

SWDLCA shall pay the ordinary and necessary expenses required to operate the Academy according to the Annual Budget. Lighthouse Academies, pursuant to

authorization by SWDLCA shall write checks and pay such expenses from a bank account owned and maintained by SWDLCA.

**7.7 Reimbursables**

The amount of any Reimbursables incurred by Lighthouse Academies shall be paid by SWDLCA to Lighthouse Academies. The Annual Budget for the first Academy Year must provide full funding for the day to day operation of the Academy and shall incorporate an allocation for payment of Reimbursables, including but limited to facility costs incurred prior to the opening of the Academy.

**7.8 Loans or Advances from Lighthouse Academies**

Lighthouse Academies has and shall have no obligation to advance or loan any funds to SWDLCA. Any amounts expended by Lighthouse Academies on behalf of SWDLCA, including any amounts expended prior to approval of this Agreement and the Charter Contract, must be approved by the Parties as part of the pre-operational budget and memorialized in a written loan agreement.

**7.9 Lighthouse School Development Program**

SWDLCA may apply to the Lighthouse School Development Loan Fund for a start up loan under the terms and conditions of that program.

**8. PROPRIETARY MATERIALS AND CONFIDENTIAL INFORMATION**

**8.1 Proprietary Materials and Information**

Lighthouse Academies owns certain Proprietary Materials and Information which include copyrighted instructional materials, training materials, curriculum and lesson plans, and materials developed by Lighthouse Academies, its employees, agents or subcontractors to provide Academic and Business Services to the Academy. Lighthouse Academies shall have the sole and exclusive right to license such materials for use by SWDLCA and/or other entities and customers. SWDLCA may have or develop Proprietary Materials and Information regarding nonprofit corporation management or otherwise that are distinct and separate from the Proprietary Materials and Information of Lighthouse Academies. During the Term of this Agreement, either Party may disclose Proprietary Materials and Information including that which is currently in existence as well as that which may be created in the future. Each Party shall keep the Proprietary Materials and Information of other Party confidential and shall use such efforts as may be reasonably requested by the other Party to refrain from disclosing, publishing, copying, transmitting, modifying, altering or using such Proprietary Materials and Information except as necessary for implementation of this Agreement. Proprietary Materials and Information does not include Materials and Information that are in the public domain through no fault of a Party or any Materials or Information that was in properly in a Party's possession prior to being furnished by the other Party. If a Party is requested or required through legal process to disclose Proprietary Materials or Information, it will provide the other Party with timely notice of any such request or



requirement so that Party, if it so chooses and at its sole expense, may seek such protective orders or other appropriate remedies as may be available to it to protect the confidentiality its Proprietary Materials and Information. The Parties will cooperate with the each other to the extent they are able under applicable law if such cooperation is requested and the Party seeking to prevent disclosure of its Proprietary Materials and Information shall reimburse the other Party for all costs and expenses incurred in such cooperation.

**8.2 Obligations concerning Proprietary Materials and Information**

The Parties agree that their obligations to each other with respect to the other Party's Proprietary Materials and Information shall survive the expiration or termination of this Agreement for five years. Each Party will promptly deliver to the other Party any and all Proprietary Materials and Information, including all written and electronic copies, in its possession or control upon termination or expiration of this Agreement or upon request by the other Party; provided, however that either Party may retain copies of all such materials and information for the sole purpose of documenting performance under this Agreement if and when necessary.

**8.3 Confidential Information**

The Parties acknowledge that prior to the Effective Date of this Agreement and during the Term of this Agreement they may disclose Confidential Information to each other. They warrant and represent that they will protect the confidentiality of all information identified by either Party as Confidential Information before or at the time it is disclosed.

**8.4 Rights to Confidential Information**

Except as required for the Parties' performance hereunder, nothing in this Agreement shall be construed to require either Party to provide Confidential Information to the other Party.

**8.5 Use of Confidential Information**

The Parties agree that the Confidential Information of the other Party:

- i. shall be used solely in furtherance of this Agreement, and shall not be used for the benefit of others;
- ii. shall not be copied or reproduced without express written permission except as may be reasonably required for accomplishment of provisions of this Agreement or documentation of performance of this Agreement; and
- iii. shall not be disclosed to any third party without the prior written consent.

The Parties agree that their confidentiality obligations shall survive the expiration or termination of this Agreement for five years.

**8.6 Exceptions Regarding Disclosure of Confidential Information**

Either Party may disclose the other Party's Confidential Information to its directors, officers, employees, and such other consultants and advisors who may have a need to know in order to perform its obligations under this Agreement

and it may also disclose such Confidential Information if:

- i. The Confidential Information is in the public domain through no fault of the Party;
- ii. The Confidential Information was properly in the Party's possession prior to being furnished by the other Party;
- iii. A Party authorizes the other Party in writing to disclose specific Confidential Information in advance including, without limitation, for use in any presentation; or
- iv. A Party is requested or required through legal process to disclose such information in which case it will provide the other Party with timely notice of any such request or requirement so that Party, if it so chooses and at its sole expense, may seek such protective orders or other appropriate remedies as may be available to it to protect the confidentiality its Proprietary Materials and Information. The Parties will cooperate with each other to the extent they are able under applicable law if such cooperation is requested and the Party seeking to prevent disclosure of its Proprietary Materials and Information shall reimburse the other party for all costs and expenses incurred in such cooperation.

**8.7 Return of Confidential Information**

Each Party will promptly deliver to the other Party any and all Confidential Information, including all written and electronic copies, in its possession or control upon termination or expiration of this Agreement or upon request of the other Party; provided, however that either Party may retain copies of all such materials and information for the sole purpose of documenting performance under this Agreement if and when necessary.

**8.8 Property Rights of Third Parties**

The Parties agree that they will not knowingly infringe upon, or permit any of its employees or agents to infringe upon, any rights of any third party or knowingly violate the patent, copyright, trademark, trade secret, or other proprietary right of any third party in connection with the performance of this Agreement. If either Party becomes aware of any such infringement, that Party shall notify the other Party promptly, cease the said infringement, and take such other and further action as may be required under the circumstances.

**8.9 Lighthouse Academies Name, Logo, Website, Email Address, Identifiers**

SWDLCA is hereby authorized during the Term of this Agreement to use the Lighthouse Academies name and logo. Upon termination of this Agreement for any reason, SWDLCA shall cease to use the logo for any purpose. SWDLCA is authorized and required during the term of this Agreement to use the Lighthouse Academies website and e-mail address, the use of which shall also cease immediately upon termination of this Agreement. During the term of this Agreement SWDLCA may not develop or use a name, logo, website, email address any other identifiers for the Academy that are not provided by

Lighthouse Academies.

#### **8.10 Equitable Relief**

The Parties understand that the Proprietary Materials and Information and Confidential Information referred to in this Section 8 of this Agreement are unique, extraordinary, and valuable and that disclosure to unauthorized persons or entities by a Party may cause immediate damage to the other Party that is not immediately calculable and may not be adequately compensated by monetary damages alone. Accordingly, in addition to all of the remedies otherwise available to the parties in enforcing their rights to protect their Proprietary Materials and Information and Confidential Information pursuant to the Alternative Dispute Resolution provisions of Section 12.2 of this Agreement, each party shall have the right to apply to the Circuit Court of the City of Michigan or the United States District Court for the Eastern District of Michigan for equitable relief including the entry of a temporary restraining order and preliminary and permanent injunction preventing dissemination of such materials and information by the other Party and/or ordering the other Party to recover the said Proprietary Materials and Information and Confidential Information pending completion of Alternative Dispute Resolution.

### **9. INDEMNIFICATION**

#### **9.1 Indemnification Grand Valley State University**

The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the School of Excellence application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers,

employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

**9.2 Indemnification by Lighthouse Academies**

Lighthouse Academies shall protect, defend, and hold harmless SWDLCA, its directors, officers, employees, partners, successors, assigns, and agents ("Southwest Detroit Lighthouse Charter Academy Indemnitees") from any and all claims, losses, damages, liabilities, penalties, fines, expenses or costs ("Claims"), including arbitration and court costs and reasonable attorneys' fees and expenses incurred in connection with Claims resulting from or arising out of any breach or violation of Lighthouse Academies' representations, warranties, covenants, or agreements contained in this Agreement or incurred by SWDLCA to enforce this Agreement. Any monetary award entered against Lighthouse Academies under this section shall include interest accrued from the date of the first event giving rise to a Claim at a rate that shall be the Wall Street Journal Prime Rate plus one percent.

**9.3 Indemnification by SWDLCA**

SWDLCA shall protect, defend, and hold harmless Lighthouse Academies, its directors, officers, employees, partners, successors, assigns, and agents ("Lighthouse Academies Indemnitees") from any and all claims, losses, damages, liabilities, penalties, fines, expenses or costs ("Claims"), including arbitration and court costs and reasonable attorneys' fees and expenses incurred in connection with Claims resulting from or arising out of any breach or violation of SWDLCA's representations, warranties, covenants, or agreements contained in this Agreement or incurred by Lighthouse Academies to enforce this Agreement. Any monetary award entered against SWDLCA under this section shall include interest accrued from the date of the first event giving rise to a Claim at a rate that shall be the Wall Street Journal Prime Rate plus one percent.

**9.4 Limitation of Claims of SWDLCA**

Notwithstanding anything in this Agreement to the contrary, there shall be no liability for any Claim and Lighthouse Academies shall have no obligations or liabilities pursuant to Section 9.2 until the aggregate of the Claims suffered or incurred by SWDLCA Indemnitees exceeds Five Thousand Dollars (\$5,000.00) (the "Deductible"). After the Deductible has been met there shall be liability for the aggregate of all Claims. Lighthouse Academies is entitled to reduce the amount owed to an SWDLCA Indemnitee by the amount of any insurance payments received by the SWDLCA Indemnitee for damages that are the subject of any such Claim but remains subject to any applicable subrogation by the insurance company.

**9.5 Limitation on Claims of Lighthouse Academies**

Notwithstanding anything in this Agreement to the contrary, there shall be no liability for any Claim and SWDLCA shall have no obligations or liabilities pursuant to Section 9.3 until the aggregate of the Claims suffered or incurred by Lighthouse Academies Indemnitees exceeds Five Thousand Dollars (\$5,000.00)

(the "Deductible"). After the Deductible has been met there shall be liability for the aggregate of all Claims. SWDLCA is entitled to reduce the amount owed to a Lighthouse Academies Indemnatee by the amount of any insurance payments received by the SWDLCA Indemnatee for damages that are the subject of any such Claim but remains subject to any applicable subrogation by the insurance company.

**9.6 Indemnification of Third-Party Claims Against A Party**

Anything in this Section to the contrary notwithstanding, if there is a reasonable probability that a Third-Party Claim may materially and adversely affect the Indemnified Party other than as a result of money damages or other money payments, the Indemnified Party shall have the right to defend, compromise or settle such Claim, and the Indemnifying Party shall not, without the written consent of the Indemnified Party, settle or compromise any Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the giving by the Third-Party Claimant/Plaintiff to the Indemnified Party of a release from all liability in respect of such Claim.

**9.7 Payment of Indemnification**

The Indemnifying Party shall promptly pay the Indemnified Party any amount due under this Section. Upon judgment, determination, settlement or compromise of any third party claim, the Indemnifying Party shall pay promptly on behalf of the Indemnified Party, and/or to the Indemnified Party any amount required to be paid by it determined by judgment, arbitration, settlement or compromise unless in the case of a judgment an appeal is made from the judgment. If the Indemnifying Party desires to appeal from an adverse judgment, then the Indemnifying Party shall post and pay the cost of the security or bond to stay execution of the judgment pending appeal.

**10. LIABILITY INSURANCE**

**10.1 Lighthouse Academies**

Lighthouse Academies under the guidance of its Chief Administrative Officer shall maintain during the Term of this Agreement at its expense any insurance reasonably required by SWDLCA or the Grand Valley State University during the term of this Agreement and shall collaborate with SWDLCA in obtaining the insurance coverage referred to in Section 10.2 below.

**10.2 Southwest Detroit Lighthouse Charter Academy**

SWDLCA shall be responsible during the Term of this Agreement for payment of premiums to provide insurance coverage for the Parties for commercial general liability, directors and officers liability, employment practices liability including third parties, employee benefits errors and omissions, educators' legal liability, sexual abuse liability, workers compensation, hired and non-owned auto liability, umbrella policy, and any other insurance required by Grand Valley University, in such amounts and under such terms as required by Grand Valley State University and the Parties in the exercise of commercially reasonable and

prudent judgment.

## **11. TERM AND TERMINATION**

### **11.1 Term**

This Agreement shall have an initial term commencing on the Effective Date and ending on June 30, 2017 or the expiration of the initial term of the Charter Contract (the "Initial Term"), whichever is later and shall automatically be renewed for additional renewal terms ending on June 30 of each year or the expiration of any renewal term of the Charter Contract (each a "Renewal Term" and collectively with the Initial Term the "Term") whichever is later unless written notice of intent to terminate or renegotiate is given by either Party not later than December 31 of the year prior to the end of the Initial Term or December 31 of the year prior to the end of any Renewal Term (the "Annual Renewal Date"). In no event shall the Term extend beyond the effective date of any Charter granted to SWDLCA.

### **11.2 Termination by Southwest Detroit Lighthouse Charter Academy**

SWDLCA may terminate this Agreement only in accordance with the following provisions:

#### **11.2.1 Termination for Cause**

SWDLCA may terminate this Agreement for cause at any time during the Term of this Agreement if:

- i. Lighthouse Academies breaches any material provision of this Agreement;
- ii. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or termination without further action of the parties and all sums due to Lighthouse Academies shall be paid in full from the Academy's assets. Lighthouse Academies breaches any material representation or warranty contained in Section 3.1 of this Agreement or any such representation or warranty is determined to be materially untrue or false;
- iii. The Academy fails to make reasonable progress toward achievement of agreed-upon academic, financial and organizational goals as agreed to by the parties after a period of five (5) Academy Years; or
- iv. Lighthouse Academies violates any material provision of law with respect to the Academy from which the Academy was not specifically exempted and which results in material adverse consequences to SWDLCA or the Academy.

#### **11.2.2 Written Notice of Termination Required**

If SWDLCA terminates this Agreement for cause it shall give Lighthouse Academies written notice (the "Termination Notice") stating the specific

breach or breaches of this Agreement that it relies on as the cause or causes for termination.

**11.2.3 Termination Prior To Opening of Academy**

In the event SWDLCA terminates the Agreement for cause prior to the opening of the Academy, SWDLCA shall not be liable to Lighthouse Academies for any further payments under this Agreement, including any Reimbursables after the effective date of the termination.

**11.2.4 Lighthouse Academies Right to Cure**

Upon receipt of the Termination Notice, Lighthouse Academies shall have sixty (60) business days to cure any breach or breaches (the "Right to Cure Period"). If Lighthouse Academies does not cure all such breaches within the Right to Cure Period this Agreement shall be terminated.

**11.3 Termination by Lighthouse Academies**

Lighthouse Academies may terminate this Agreement in accordance with the following provisions:

**11.3.1 Termination for Cause**

Lighthouse Academies may terminate this Agreement at any time for cause if:

- i. SWDLCA breaches any material provision of this Agreement; or
- ii. SWDLCA materially interferes with or limits the ability of Lighthouse Academies to perform under this Agreement.

**11.3.2 Written Notice of Termination Required**

If Lighthouse Academies terminates this Agreement for cause it shall give SWDLCA written notice (the "Termination Notice") stating the specific breach or breaches of this Agreement that it relies on as the cause or causes for termination.

**11.3.3 Reimbursables after Termination**

In the event this Agreement is terminated by Lighthouse Academies for cause, SWDLCA shall pay Lighthouse Academies all Reimbursables upon presentation of written documentation substantiating such Reimbursables and subject to availability of funds so as not to disrupt operation of the Academy.

**11.3.4 SWDLCA's Right to Cure**

Upon receipt of the Termination Notice, SWDLCA shall have sixty (60) business days to cure any breach or breaches. If SWDLCA does not cure all such breaches within the cure period this Agreement shall be terminated.

**11.3.5 Termination Without Cause Prior To Opening Date**

Lighthouse Academies may terminate this Agreement without cause at any time prior to thirty (30) days before the Opening Date upon the delivery of thirty (30) days' written notice to SWDLCA.

**11.3.6 Termination related to Minimum Enrollment**

If Lighthouse Academies is unable to recruit a sufficient number of Students to achieve the Minimum Enrollment Level prior to the Opening Date, this Agreement may be terminated by Lighthouse Academies upon thirty (30) days

written notice to SWDLCA.

**11.4 Termination due to Material Adverse Change**

In the event of a Material Adverse Change, either Party may deliver written notice describing the Material Adverse Change to the other Party ("Notice of Material Adverse Change"). Upon receipt of a Notice of a Material Adverse Change, the Parties shall promptly commence negotiations in good faith regarding a mutually agreeable approach (including without limitation, an amendment to the Agreement, alternative funding arrangements, etc.) to address the Material Adverse Change. If despite such good faith negotiations the Parties are unable to agree upon an acceptable approach to address the Material Adverse Change, either Party may elect to terminate this Agreement by delivering written notice of termination to the other at least sixty (60) days in advance of the effective date of such termination, or in such lesser time as is reasonable or mandated under the circumstances. The termination provisions of this section shall not be construed to in any way limit the termination for cause provisions contained in Sections 11.2.1 and Sections 11.3.1 of this Agreement. Upon termination of the Agreement due to a Material Adverse Change, SWDLCA shall pay Lighthouse Academies' Reimbursables.

**11.5 No Termination during School Year**

Notwithstanding the foregoing provisions of this Section, the Parties shall use their good faith best efforts to avoid a termination of the Agreement during the Academy Year to avoid disruption of the Education Program and the Students. Therefore, in the event this Agreement is terminated by either Party during an Academy Year, the termination will not become effective until the end of the Academy Year.

**11.6 Assistance after Termination by Lighthouse Academies**

In the event of termination of this Agreement by Lighthouse Academies, there shall be a transition period during which Lighthouse Academies shall provide reasonable assistance to SWDLCA for the shorter of the remainder of the Academy Year in which the Agreement is terminated or ninety (90) days after the effective date of termination of the Agreement to provide continuity for students and installation of new Academy management. During such transition period SWDLCA shall continue to pay Lighthouse Academies' Service Fee and Reimbursables.

**12. MISCELLANEOUS**

**12.1 Governing Law**

This Agreement shall be subject to, and governed by, the law of the State of Michigan.

**12.2 Alternative Dispute Resolution**

**12.2.1 Good Faith Negotiation of Disputes**

The Parties agree to cooperate in good faith in all actions relating to this Agreement, to communicate openly and honestly, and generally to attempt to



avoid disputes in connection with this Agreement. If a dispute should arise in connection with this Agreement, the Parties agree to use their best efforts to resolve such dispute informally in a fair and equitable manner. In the event the Parties are not able to resolve any dispute informally, they shall use the alternative dispute resolution procedures set forth in Sections 12.2.2 and 12.2.3.

#### **12.2.2 Non-Binding Mediation**

If the Parties are unable to reach an acceptable resolution of a dispute arising out of this Agreement and both Parties agree that non-binding mediation conducted by an independent professional mediator may be useful in resolving the dispute they shall engage the mediation services of United States Arbitration & Mediation (USA&M) and each Party shall pay its own expenses for such services. The non-binding mediation shall take place at the offices of USA&M, Midwest, Inc. in Michigan.

#### **12.2.3 Binding Arbitration**

If either Party determines that non-binding mediation would not be useful in resolving a dispute or if the Parties are unable to achieve the mutually agreeable resolution of a dispute through non-binding mediation, then such dispute shall be settled by binding arbitration conducted in accordance with the procedures of United States Arbitration & Mediation (USA&M). Any decision rendered in arbitration shall be final and binding and any judgment awarded may be entered, recorded, and enforced in any court of competent jurisdiction. The arbitrator shall have no authority to make any ruling, finding or award that does not conform to the laws of the State of Michigan or applicable Federal law, nor shall the arbitrator have any authority to award punitive damages or any other damages not measured by the prevailing Party's actual damages. Nothing in this Agreement shall be deemed to deny either Party its right to seek and obtain injunctive or other equitable relief from any court of competent jurisdiction with respect to the terms of this Agreement or the rights between the Parties. The Parties consent to the jurisdiction of the Circuit Court of the City of Detroit, Michigan and of the United States District Court for the Eastern District of Michigan for injunctive, specific performance or other relief in aid of the arbitration proceedings or to enforce judgment of the award in such arbitration proceeding, but not otherwise.

#### **12.3 Breach and Waiver**

No failure on the part of any Party to enforce the provisions of this Agreement shall act as a waiver of the right to enforce any provision. Further, no waiver of any breach of this Agreement shall be effective unless it is in writing and executed by the Party charged with the waiver or constitute a waiver of a subsequent breach, whether or not of the same nature. All waivers shall be strictly construed. No delay in enforcing any right or remedy as a result of a breach of this Agreement shall constitute a waiver thereof. No waiver of any provision of

this Agreement shall be deemed or shall constitute a continuing waiver unless otherwise expressly stated or constitute a waiver of any other provision of this Agreement.

**12.4 No Third Party Rights**

This Agreement is not intended to create any rights in any third party and no third party including any constituent of the Academy such as a Student, parent of a Student, member of the Academy Staff, vendor or has a right, standing or may seek to enforce the terms of this Agreement. Grand Valley State University shall have such rights with respect to this Agreement that are contained in the Charter Contract that shall be incorporated herein.

**12.5 Negligent, Wrongful or Unlawful Acts of a Party**

Nothing in this Agreement shall affect or alter in any way the lawful responsibility of either Party for negligent, wrongful or unlawful acts of the Party's employees, agents or servants in performing work pursuant to this Agreement.

**12.6 No Delegation of Responsibilities of SWDLCA**

Nothing in the Agreement shall be construed as delegating to Lighthouse Academies any of the responsibilities of SWDLCA that are not subject to delegation by SWDLCA under State law or the Charter Contract. SWDLCA may revoke any duties authorized to be performed by Lighthouse Academies under this Agreement by written notice to Lighthouse Academies; provided, however, that any such revocation shall in no way prevent SWDLCA from performing its obligations pursuant to this Agreement. Should any such revocation make it impossible or impracticable for Lighthouse Academies to perform its obligations under this Agreement, Lighthouse Academies may terminate this Agreement in accordance with Section 11.3.1 of this Agreement.

**12.7 Charter shall Control**

Any provision of this Agreement that appears to conflict with any provision of the Charter Contract shall be interpreted by, subject to and if necessary, superseded by, the relevant provision of the Charter Contract.

**12.8 Access to Lighthouse Academies Records**

Lighthouse Academies shall make available to SWDLCA or Grand Valley State University for inspection and copying, upon reasonable notice, all books, records, and documents relating to Lighthouse Academies' obligations and performance under this Agreement, the operation of the Academy, and Lighthouse Academies' receipt and expenditure of funds under this Agreement.

**12.9 Notices**

All notices, consents, and other communications ("Notices") which either Party may be required or desire to give the other Party pursuant to this Agreement shall be in writing and shall be given by personal service, telefax, nationally recognized overnight courier service, registered or certified mail (or by equivalent means) to the other Party at its respective address or telefax telephone number set forth below. Notice by personal service, telefax or overnight courier shall be deemed given upon receipt. Notice by mail shall be deemed to be given five days after deposit with the

United States Postal Service. Notices delivered by telecopy shall be confirmed in writing by overnight courier and shall be deemed to be given upon deposit into the mail by the Party doing the notifying.

Notice to Lighthouse Academies shall be addressed to:

Michael Ronan  
Lighthouse Academies, Inc.  
1661 Worcester Road  
Suite 207  
Framingham, MA 01701  
Tel 508.626.0901  
Fax 508.626.0905

Notice to Southwest Detroit Lighthouse Charter Academy shall be addressed to:  
Southwest Detroit Lighthouse Charter Academy  
163 Madison St.  
Room 250  
Detroit, MI 48226

**12.10 Captions**

The captions or headings in this Agreement are made for convenience and general reference only and shall not be construed to describe, define or limit the scope or intent of the provisions of this Agreement.

**12.11 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein, as of the Effective Date, and there are no understandings of any kind except as expressly set forth herein. Further, any and all prior understandings and agreements, expressed or implied, written or oral, between the Parties are superseded hereby.

**12.12 Amendments and Modifications**

This Agreement shall not be altered, amended or modified except in writing and duly executed by the Parties. Accordingly, no course of conduct or custom shall constitute an amendment or modification of this Agreement. Any attempt to modify this Agreement orally, or in a writing not signed by both Parties, shall be void. This Agreement may not be modified, supplemented, explained, or waived by parol evidence.

**12.13 Assignment**

This Agreement, including without limitation, the rights granted herein, may be assigned, delegated transferred, pledged, or hypothecated by a Party with the prior written consent of the other Party. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their successors and assigns, and the name of a Party appearing herein shall be deemed to include the name of such Party's successors and assigns to the extent necessary to

carry out the intent of this Agreement.

**12.14 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both together shall be deemed to be one and the same Agreement.

**12.15 No Partnership or Joint Venture**

This Agreement does not create or imply the existence of a partnership or joint venture between the Parties.

**12.16 Assurances by the Parties**

The Parties agree that they will execute and deliver or cause to be executed and delivered from time to time any and all documents and take such actions as the other Party reasonably may require to more fully and efficiently carry out the terms of this Agreement.

**12.17 Severability Clause**

If an Arbitrator or Court competent jurisdiction shall declare any provision of this Agreement to be invalid, illegal or unenforceable, that provision shall be severed from this Agreement and all the remaining provisions of this Agreement shall continue in full force and effect. The invalidity, illegality or unenforceability of any term of the Agreement shall not affect the validity, legality or enforceability of the remaining terms of the Agreement, however, if permitted by applicable law, any invalid, illegal or unenforceable provision may be considered in determining the intent of the Parties with respect to other provisions of this Agreement.

**12.18 Survival of Covenants**

Any provision in this Agreement which is specifically stated to survive the termination of this Agreement and any provision which, by its terms, cannot be performed prior to the termination of this Agreement or which, by its terms, continues beyond the term of this Agreement shall be deemed to survive the termination of this Agreement. The right of a Party to pursue relief based upon a representation, warranty or obligation to perform established by this Agreement shall survive termination of this Agreement subject to applicable State statutes of limitations or limitations set forth in this Agreement.

**12.19 Negotiated Agreement**

The provisions of this Agreement were negotiated by the Parties and this Agreement shall be deemed to have been drafted by the Parties, notwithstanding any presumptions at law to the contrary. Both Parties acknowledge that they have consulted with independent legal counsel regarding this Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the Effective Date.

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION  
WHICH MAY BE ENFORCED BY THE PARTIES

EXECUTION BY THE PARTIES

Lighthouse Academies, Inc.

By: [Signature]  
(signature)

Name: Michael Loran

Title: President

Southwest Detroit Lighthouse Charter  
Academy Inc.

By: [Signature]  
(signature)

Name: Julie Fenberg

Title: President

Attachment 3 to Exhibit C-1

Copy of the Lease

[Attached \_\_\_\_ pages]

*see begin of document*



C-2

GUARANTY

This Guaranty of Lease (the "**Guaranty**") is made this 15th day of February, 2013 by LIGHTHOUSE ACADEMIES, INC., with an address at 1661 Worcester Road, Framingham, Massachusetts 01701, (the "**Guarantor**") in favor of CA DETROIT 4001 29S LLC, with an address of c/o Canyon-Agassi Charter School Facilities Fund, L.P., 2000 Avenue of the Stars, 11th Floor, Los Angeles, California 90067, and its successors and assigns ("**Landlord**"), with respect to that certain Lease (the "**Lease**") dated February 15, 2013 between Landlord and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, a Michigan nonprofit corporation (the "**Tenant**"), covering certain real property and improvements now or hereafter located at 4001 29th Street, in the City of Detroit, Wayne County, State of Michigan (the "**Premises**") and more particularly described in the Lease. All capitalized terms not otherwise modified or defined herein shall have the respective same meanings ascribed to them in the Lease.

WHEREAS, Guarantor is herewith delivering this Guaranty to induce Landlord to enter into Lease;

NOW, THEREFORE, Guarantor hereby agrees as follows:

1. In order to induce Landlord to enter into the Lease and in consideration of Landlord's entering into the Lease, Guarantor hereby guarantees, unconditionally and absolutely, to Landlord, its successors and assigns (without requiring any notice of nonpayment, nonkeeping, nonperformance or nonobservance or proof of notice or demand whereby to charge Guarantor, all of which Guarantor hereby expressly waives), the full and punctual payment, performance and observance by Tenant of the obligation to pay Base Rent and Additional Rent, plus Landlord's costs of enforcement of this Guaranty, if any, as specified in Section 10 of this Guaranty.

2. As further inducements to Landlord to enter into the Lease and in consideration thereof: (i) Guarantor represents and warrants that (A) Guarantor has an interest in Tenant, (B) Guarantor derives economic and other benefits from the Lease, and (C) this Guaranty constitutes Guarantor's valid and legally binding agreement in accordance with its terms; (ii) Guarantor hereby covenants that, for so long as this Guaranty shall remain in effect, Guarantor shall maintain an interest in Tenant; and (iii) Guarantor further covenants that, for so long as this Guaranty shall remain in effect, the prospective contingent liability of Guarantor under this Guaranty, all other outstanding guaranties, and all other similar obligations shall not in the aggregate, at any such time, exceed the audited net worth of Guarantor.

3. If, at any time, Tenant shall default in the payment, performance or observance of any of the terms, covenants or conditions of the Lease on Tenant's part to be paid, kept, performed or observed, Guarantor shall keep, perform and observe the same, as the case may be, in place and stead of Tenant.

4. Any act of Landlord, or the successors or assigns of Landlord, consisting of a waiver of any of the terms or conditions of the Lease, or the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgences or extensions of time to Tenant, may be done without notice to or consent from Guarantor, and without releasing any obligations of Guarantor hereunder. Guarantor also expressly waives notice of acceptance of this Guaranty and notice of any default or event of default under the Lease by Tenant and any and all other notices under such Lease; it being the intention hereunder that Guarantor shall remain liable hereunder until all of the terms, covenants and conditions of the Lease shall have been fully performed and observed by the Tenant thereunder,



notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of Guarantor. Without limiting the foregoing, Guarantor expressly waives all diligence of collection; presentment; demand, notice and protest; any right to disclosures from Landlord regarding the financial condition of the Tenant or any other guarantor of the Lease; the defense of collateral impairment; and any and all other defenses which might otherwise be available to Guarantor.

5. This Guaranty shall be enforceable against Guarantor without the necessity of any suit or proceedings on Landlord's part of any kind or nature whatsoever against Tenant, its successors and assigns, or any other person or entity ("**Other Guarantor**") guaranteeing any of the same obligations guaranteed by Guarantor hereunder, including without limitation, the existing Guarantor, and without the necessity of notice of nonpayment, nonperformance or nonobservance or any notice of acceptance of this Guaranty and without the need for demand for payment under this Guaranty or of any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives; and Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no respect be terminated, affected, diminished or impaired by reason of the assertion or the failure to assert by Landlord against Tenant, or against Tenant's successors and assigns, or against any Other Guarantor, of any of the rights or remedies reserved to Landlord pursuant to the provisions of the Lease or allowed at law or in equity, or by relief of Tenant or any Other Guarantor from any of their respective obligations under the Lease, their guaranties or otherwise.

6. The liability hereunder of Guarantor shall in no way be affected by: (i) the release or discharge of Tenant in any creditors' receivership, bankruptcy or other proceedings; (ii) the impairment, limitation or modification of the liability of Tenant or any Other Guarantor or the estate of Tenant or any Other Guarantor in bankruptcy, or of any remedy for the enforcement of Tenant's said liability under the Lease, or any Other Guarantor's liability under its guaranty, resulting from the operation of any present or future provisions of any bankruptcy laws or other statute or from the decision of any court; (iii) the rejection or disaffirmance of the Lease in any such proceedings; (iv) any lack of validity or enforceability of this Guaranty, the Lease, any other guaranty or any other circumstance which might otherwise constitute a defense available to Guarantor or Tenant; (v) the assignment or transfer of the Lease by Tenant or the exercise of any of Tenant's franchisor's rights to assume the rights and obligations of Tenant under the Lease; (vi) any disability or other defense of Tenant; (vii) any sublease of all or any part of the premises demised under the Lease; or (viii) the sale or conveyance by Landlord of its interest in the Lease or of said premises. Nothing hereunder is intended to permit Landlord double recovery, should Tenant fulfill its obligations under the Lease, or permit Landlord to recover sums which, pursuant to the express terms and conditions of the Lease, are not owed by Tenant to Landlord or are otherwise outside the scope of Tenant's obligations thereunder; provided however that if any suit or other remedy is availed of by Landlord, only the net proceeds therefrom after deduction of all charges and expenses of every kind and nature whatsoever, including but not limited to attorneys' fees, shall be applied in reduction of the amount due under the Lease. Landlord shall be entitled to any form of relief which it shall desire to use, including but not limited to specific performance, eviction, and action for money damages or any or all of the above or any other remedy.

7. Guarantor agrees that this Guaranty shall be a continuing Guaranty, that its liability hereunder shall be primary and not secondary, and shall be joint and several with that of any Other Guarantor and of Tenant. The obligations hereunder of Guarantor shall not be released by Landlord's receipt, application or release of any security given for the payment, performance and observance of covenants and conditions in the Lease contained on Tenant's part to be paid, performed or observed; nor by any modification of the Lease, but in the case of any such modification, the liability of Guarantor

shall be deemed modified in accordance with the terms of any such modification of the Lease. Notwithstanding the foregoing: (i) Guarantor's liability hereunder shall not exceed the sum of \$1,164,000; and (ii) if, during the 4th Lease Year of the Term, or during any Lease Year occurring thereafter, (A) average daily enrollment (on a full-time equivalency basis) equal to ninety-five percent (95%) of the enrollment level set forth in Section 7.5.2(b)(iv) of the Lease shall be achieved at Southwest Detroit Lighthouse Charter Academy (authorized pursuant to the Charter School Contract, as defined in the Lease) with respect to such Lease Year (using the enrollment level for the 5th Lease Year for any Lease Year thereafter), and (B) Tenant shall not be in default under the Lease as of the Guaranty Release Date (as defined below), then Guarantor shall be released from its obligations under this Guaranty as of the first day of the next succeeding Lease Year (the "**Guaranty Release Date**"), and Guarantor shall thereafter have no further obligation under this Guaranty from and after the Guaranty Release Date; provided, however, that nothing herein shall release Guarantor from any of its obligations under this Guaranty arising prior to the Guaranty Release Date.

8. Until all the covenants and conditions in the Lease on Tenant's part to be paid, performed and observed are fully paid, performed and observed, Guarantor: (i) shall have no right of subrogation against Tenant by reason of any payments or acts of performance by Guarantor in compliance with the obligations of Guarantor hereunder; (ii) irrevocably waives any right to enforce any remedy which Guarantor now has or hereafter may have against Tenant by reason of any one or more payments or acts of performance in compliance with the obligations of Guarantor hereunder; and (iii) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

9. Landlord may, at its option, join Guarantor as a party in any action, suit or proceeding commenced against Tenant arising out of or in connection with the Lease, and recovery may be had against Guarantors, whether or not judgment is also taken or had against Tenant. Further, this Guaranty may be enforced against Guarantor without first proceeding against Tenant.

10. Guarantor agrees that if this Guaranty is or shall be enforced by any action, suit or proceeding, Guarantor shall reimburse Landlord for all reasonable costs and expenses, incurred by Landlord in connection with the enforcement of this Guaranty, including, without limitation, reasonable counsel fees and disbursements, provided that Landlord is the prevailing party at litigation.

11. Guarantor irrevocably waives trial by jury of any and all issues arising in any action, suit or proceeding to which Landlord and Guarantor may be party upon, under or connected with this Guaranty or any of its provisions, directly or indirectly. Guarantor irrevocably submits to the non-exclusive jurisdiction of any local or Federal court sitting in the State of Michigan in any action or proceeding arising out of or relating to this Guaranty, and irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such local or Federal court. Guarantor irrevocably waives (i) any objection that Guarantor may have to the laying of venue of any such action or proceeding in any of the said courts, or (ii) any claim that it may have that any such action or proceeding has been brought in an inconvenient forum. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this paragraph shall affect the right of Landlord to serve legal process in any manner permitted by law or the right of Landlord to bring any action or proceeding against the Guarantor or Guarantor's properties in the courts of any other jurisdiction or jurisdictions; nor shall the bringing of any action or proceeding in any one or more jurisdictions preclude the bringing of any other action or proceeding in any other jurisdiction. In

addition, and for the purposes of enforcing any judgment, Guarantor irrevocably consents to the jurisdiction of the courts of any jurisdiction where assets or properties of Guarantor are located.

12. While this Guaranty is in effect, it shall apply to the Lease and to any renewal or extension, amendment or modification thereof, without any consent of Guarantor, it being intended that this Guaranty shall include and apply to any such extension or renewal and amendment or modification of the Lease as well as to the original terms thereof.

13. Any notices under this Guaranty must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a party may designate to the other parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days (defined as every calendar day Monday through Friday, inclusive, but excluding legal holidays of the United States and the State of Michigan) after the party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

**If to Landlord:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Glenn Pierce  
Facsimile: (310) 272-1581  
Email: gpierce@canyonagassi.com

**With Copies to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Bari Cooper Sherman, Esq.  
Facsimile: (310) 272-1537  
Email: bsherman@canyonagassi.com

**And to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Antonio Gonzales  
Facsimile: (310) 272-1490  
Email: agonzales@canyonagassi.com

**And to:** Quarles & Brady LLP  
411 East Wisconsin Avenue  
Suite 2350

Milwaukee, WI 53202  
Attn: Michael J. Ostermeyer  
Facsimile: (414) 978-8956  
Email: michael.ostermeyer@quarles.com

**If to Guarantor:** Lighthouse Academies, Inc.  
1661 Worcester Road  
Suite 207  
Framingham, MA 01701  
Attention: Michael Ronan  
Facsimile: (508) 626-0905  
Email: mronan@lighthouse-academies.org

**With Copy to:** Southwest Detroit Lighthouse Charter Academy  
163 Madison Street  
Room 250  
Detroit, MI 48226  
Attn: Principal  
Facsimile: \_\_\_\_\_  
Email: \_\_\_\_\_@lighthouse-academies.org

**And to:** Lighthouse Academies, Inc.  
1661 Worcester Road  
Framingham, MA 01701  
Attention: C. Anne LaTarte  
Facsimile: (508) 626-0905  
Email: alatarte@lighthouse-academies.org

Any notice by either party hereto, whether required or permissible hereunder, may be given by such party's then-current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such party directly. Any notice by either party hereto, whether required or permissible hereunder, may be given by such party's then-current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such party directly.

14. This Guaranty shall inure to the benefit of and may be enforced by Landlord, its successors and assigns, and shall be binding upon and be enforceable against Guarantor and its successors and assigns.


15. This Guaranty shall be governed by, and construed in accordance with, the laws of the State of Michigan applicable to agreements made and to be performed in said jurisdiction, and without the aid of any canon or rule or law requiring construction against the party preparing or causing this Guaranty to be prepared. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions.

16. This instrument may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Landlord.

*[Signatures begin on next page.]*

IN WITNESS WHEREOF, Guarantor has duly executed this instrument as of the date first above written.

**GUARANTOR:**  
**Lighthouse Academies, Inc.**

By:   
Name: Michael R. Bran  
Title: President  
Dated: 2/12/2013

**EXHIBIT D**  
Development Summary

The Landlord will develop the Premises for the Tenant per the Development Summary outlined below and the contract documents prepared by the Architect. The building will be delivered to the Tenant with all utilities and Landlord provided equipment in functioning order and all utility contracts, service agreements, monitoring agreements, and all other building services will be the responsibility of the Tenant. Furniture, fixtures, and equipment are the responsibility of the Tenant and the installation will be coordinated with the Landlord per the Lease so as not to hinder construction progress and completion of the Landlord's work or violation of any local laws and regulations. Upon completion of the work, Landlord and Contractor will coordinate training on building systems and warranties with Tenant's staff.

**Classrooms**

1. Standard Classrooms (20)
  - a. 750 SF (Sizes are estimates)
  - b. Tenant to provide all FF&E unless otherwise noted
  - c. Classrooms should be wired for power, voice and data. (2) Voice, (2) Data for teacher, plus power outlet on wall or in ceiling space for wireless bridges/routers. Additional power outlet and (1) data jack for Smartboard. Phone hardware and Smartboards provided by Tenant (see IT specs if applicable)
  - d. (1) 4'x8' whiteboards and (1) 4'x8' tack board mounted
  - e. No built-in cabinetry or fixtures. Cubbies or other storage and area rugs to be part of FF&E package and must be removable if needed and provided by Tenant.
  - f. Clock in each classroom – linked wirelessly to centrally-controlled clock or freestanding
  - g. Blinds on exterior windows
  - h. Doors to have vision panel/window
  - i. Motion sensors for lights
2. Title-1 (1)
  - a. 580 SF approximately
  - b. Standard Classroom specs
3. Art (1)
  - a. 900 SF Approximately
  - b. Standard Classroom specs
  - c. Kitchen style Sink (1) mounted into countertop
  - d. Built in base cabinets along sink wall and overhead cabinets 6 feet total
4. Music (1)
  - a. 900 SF Approximately
  - b. Standard Classroom specs
5. Science (1)
  - a. Standard Classroom specs
  - b. Casework to be included as allowance in construction budget
6. Computer Lab (1)
  - a. Sufficient power to accommodate multiple computers
  - b. Standard Classroom specs
7. Language Arts (1)
  - a. Standard Classroom specs



8. Tutor Room (2)
  - a. Standard Classroom specs

### Auxiliary Spaces

1. Administration
  - a. Reception area with buzzer door for security.
  - b. (1) Principal Office
  - c. (1) Director Office
  - d. (1) Assistant Principal Office
  - e. Teacher Lounge
    - i. Power for commercial refrigerator 110V 20A
  - f. Workroom
  - g. LHA Office
  - h. Parent Room
  - i. Nurse Office
  - j. Faculty Restroom (1) unisex with "Occupied/Vacant" hardware
  - k. Conference Room
  - l. Storage Room
2. Restrooms (2 Boys and 2 Girls "East and West Wings")
  - a. VCT floors with rubber cove base
  - b. Ceramic tile at wet walls up to 6 feet, painted block on remainder
  - c. Low Flow urinals and flush valve toilets
  - d. Toilet partitions made of recycled materials (HDPE)
  - e. Floor drain
  - f. Turbo air hand dryer
  - g. Motion sensors for lights
3. Server Room (to be located in administration area)
  - a. Ideally located away from water lines and restrooms
  - b. Two walls covered with 1" backboard plywood fire resistant painted
  - c. VCT flooring with rubber cove base
  - d. Dedicated A/C to keep cool (1-ton mini-split system)
4. Storage
  - a. Provide storage as available for office supplies, files, books, etc.
5. Janitorial closet
  - a. Mop sink with hot water
  - b. Storage shelves for cleaning chemicals
  - c. FRP on all walls at least up to 6 ft.
6. Hallways
  - a. 8 ft. width minimum
  - b. Paint on corners
  - c. Speakers for bells and intercom announcements if applicable
7. Kitchen
  - a. Per mutually agreed upon specifications
8. Multipurpose Space
  - a. Double Height space
  - b. Approximately 3,900 square feet
  - c. Sound dampened roof decking



9. Library
  - a. Approximately 1,100 SF
  - b. Standard classroom finishes

#### **Outdoor Space**

1. Self standing flag pole
2. Hose bib
3. Roof Utilities
  - a. Convenience outlet
4. Key Plan
  - a. Card key access for exterior doors with master key backup
  - b. Main Entry door to be provided with electronic strike hardware and intercom connected to main administration area/receptionist to control access.
  - c. Individual keys to classrooms
  - d. Master keys
5. Outdoor Signage
  - e. Allowance of 10,000 in budget, costs over allowance paid by Tenant
6. Power outlet outside
7. Speakers for bells and intercom announcements
8. Canyon-Agassi has ability to provide and mount plaque or signage recognizing developer and financing for project
9. City-required parking designations and exterior lighting with photo sensor or connected to timers

#### **Interior Finishes**

1. Semi-gloss paint
2. No white paint in the hallways in low areas unless requested by Tenant
3. Administration area shall be carpeted. All carpet to be recycled.
4. VCT floors with rubber cove base
5. Standard classroom number signs and ADA-compliant restroom signs
6. Clock system with intercom system
7. Building to be provided with telephone and communications wiring, cabling, routing, and drops/outlets (excludes tenant-provided telephone equipment service provider switch and any computer servers or network machines and equipment)

### Exterior Finishes

1. Pre-colored masonry. Color shall be mutually agreed to by Landlord and Tenant

### Security

1. Alarm
  - a. Single panel with keypad, Tenant responsible for monitoring contract
2. Secure perimeter
  - a. Door contacts backed
  - b. Motion sensors
  - c. Outdoor siren strobes
3. Secure classrooms with windows
  - a. Glass break sensors on lower floors, budget allowing
4. Surveillance Cameras
  - a. Low-light sensitive cameras watching main entrance and secondary entrance
    - i. 110V AC & CAT 5
  - b. Cameras watching parking areas
    - i. 110V AC & CAT 5
5. Alarm Controls
  - a. Keypads in the following areas
    - i. Main administration entrance lobby
6. Facility
  - a. Semi-permeable perimeter fencing
  - b. Vandal and theft resistant door hardware

### Fire, Life and Safety

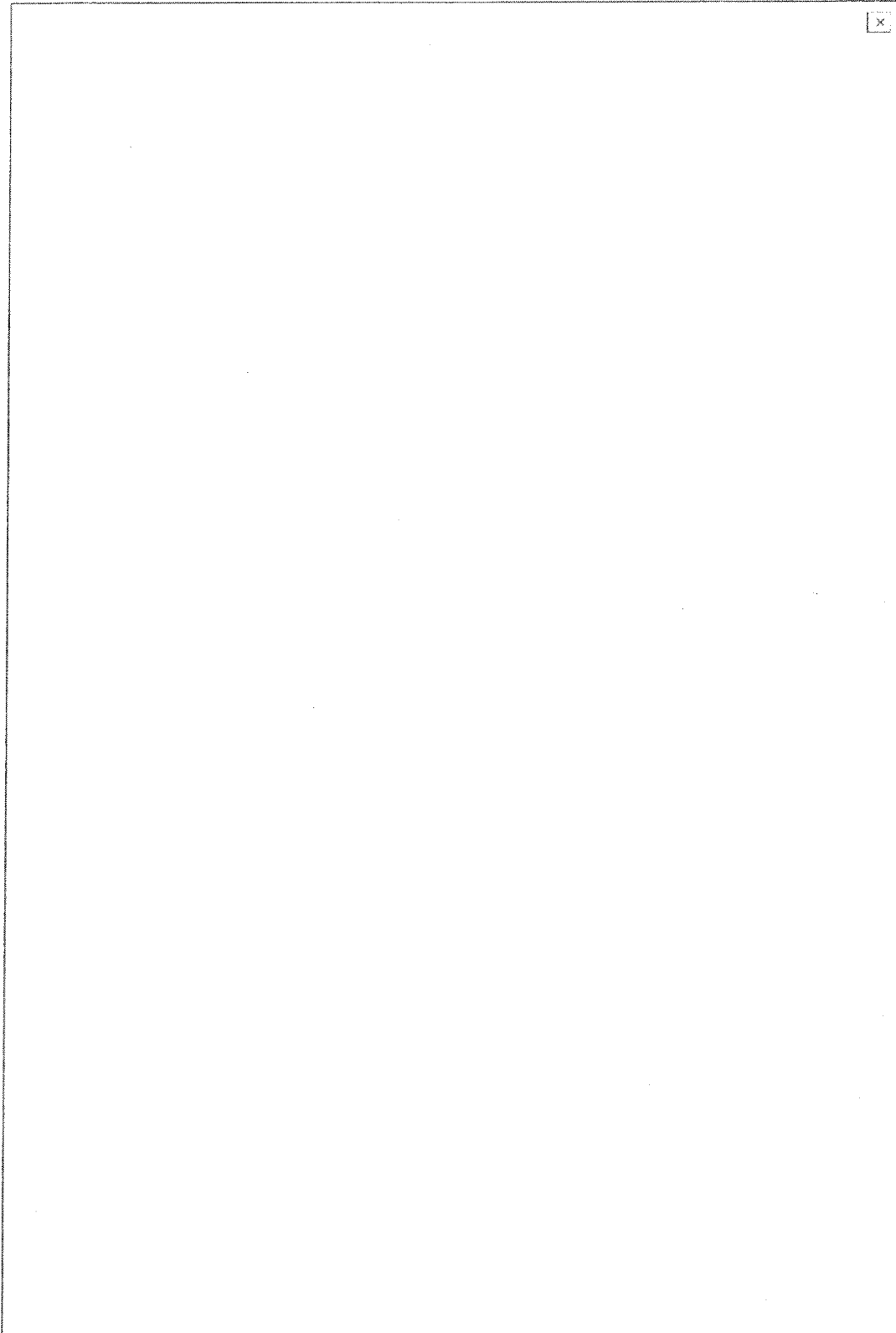
1. Single panel FACP with (2) voice jacks. Tenant responsible for monitoring contract
2. Exterior and interior strobes
3. Fire extinguisher and smoke detector and strobes in every classroom

### Bus Requirements:

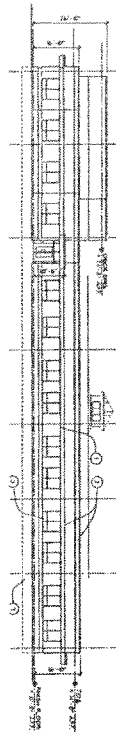
1. Drop off/pick up area that accommodates buses shall be located in the Right of Way

Buses differ at each site. Confirm sizes and number with Principal to verify pickup and drop off plans

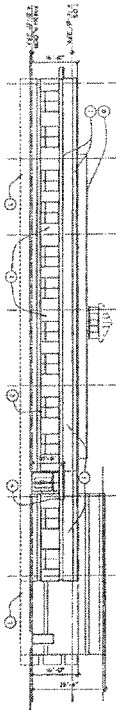
**EXHIBIT E**  
Schematic Plans



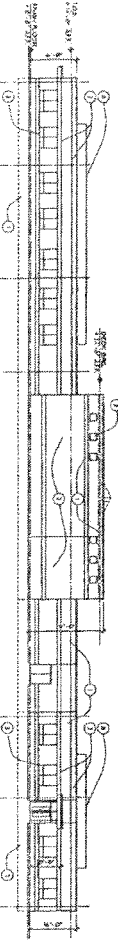




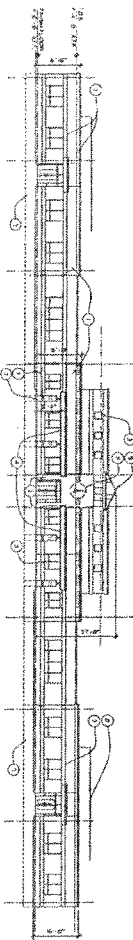
PRELIMINARY WEST ELEVATION



PRELIMINARY EAST ELEVATION



PRELIMINARY NORTH ELEVATION



PRELIMINARY SOUTH ELEVATION

EXTERIOR MATERIAL SCHEDULE			
1	PAVING	1	PAVING
2	CONCRETE	2	CONCRETE
3	BRICK	3	BRICK
4	GLASS	4	GLASS
5	WOOD	5	WOOD
6	ROOFING	6	ROOFING
7	LANDSCAPE	7	LANDSCAPE
8	PAINT	8	PAINT
9	IRON	9	IRON
10	COPPER	10	COPPER
11	ALUMINUM	11	ALUMINUM
12	STEEL	12	STEEL
13	BRASS	13	BRASS
14	LEAD	14	LEAD
15	ZINC	15	ZINC
16	NICKEL	16	NICKEL
17	CHROME	17	CHROME
18	PLASTER	18	PLASTER
19	GIPSUM	19	GIPSUM
20	CEMENT	20	CEMENT
21	SAND	21	SAND
22	GRAVEL	22	GRAVEL
23	ASPHALT	23	ASPHALT
24	BITUMEN	24	BITUMEN
25	PAVING	25	PAVING
26	CONCRETE	26	CONCRETE
27	BRICK	27	BRICK
28	GLASS	28	GLASS
29	WOOD	29	WOOD
30	ROOFING	30	ROOFING
31	LANDSCAPE	31	LANDSCAPE
32	PAINT	32	PAINT
33	IRON	33	IRON
34	COPPER	34	COPPER
35	ALUMINUM	35	ALUMINUM
36	STEEL	36	STEEL
37	BRASS	37	BRASS
38	LEAD	38	LEAD
39	ZINC	39	ZINC
40	NICKEL	40	NICKEL
41	CHROME	41	CHROME
42	PLASTER	42	PLASTER
43	GIPSUM	43	GIPSUM
44	CEMENT	44	CEMENT
45	SAND	45	SAND
46	GRAVEL	46	GRAVEL
47	ASPHALT	47	ASPHALT
48	BITUMEN	48	BITUMEN
49	PAVING	49	PAVING
50	CONCRETE	50	CONCRETE

Proposed Facility for Lighthouse Academy of Southwest Detroit  
Detroit, Michigan

DATE: 1/15/10  
DRAWN BY: J. L. B. / J. L. B.  
CHECKED BY: J. L. B. / J. L. B.  
SCALE: 1/8" = 1'-0"  
SHEET: 12083  
PROJECT: PE-1

# SCHEDULE E-1

## Budget

Tenant: Uptownwise Detroit  
 Name: CA 4041 29th St LLC  
 Address: 4041 29th Street  
 City/State/Zip: Detroit, MI 48226

DEVELOPMENT BUDGET	
	DEVELOPMENT
First Floor TI and Systems	43,000 sf
Second Floor and Mezzanine	0 sf
GYM/MPK	0 sf
<b>TOTAL SQUARE FOOTAGE</b>	<b>43,000 sf</b>

Wichita University  
 075

	DEVELOPMENT	
	Cost / sf	Total Cost
ACQUISITION		
Purchase Price	\$ 7.32	\$ 300,000
Capitalized Property Maintenance Expenses	\$ -	-
Owner Relocation Expenses	\$ -	-
Other Acquisition Costs #1: Closing costs	\$ 0.12	\$ 5,000
Other Acquisition Costs #2	\$ -	-
Acquisition Costs - Legal Fees	\$ -	-
<b>SUBTOTAL: ACQUISITIONS</b>	<b>\$ 7.44</b>	<b>\$ 305,000</b>

HARD COSTS			
First Floor TI and Systems	\$	96.37	\$ 3,951,211
Second Floor TI	\$	489	\$ 200,000
Mezzanine	\$	-	\$ -
GYM/MPK	\$	NDV/00	\$ -
Signage	\$	0.24	\$ 10,000
Sitework	\$	20.10	\$ 1,234,200
Other Hard Costs: Data & Security	\$	0.01	\$ 320,500
<b>SUBTOTAL: HARD COSTS</b>	<b>\$</b>	<b>139.61</b>	<b>\$ 5,724,011</b>
<hr/>			
10% Contingency	\$	13.96	\$ 572,401
<b>TOTAL: HARD COSTS</b>	<b>\$</b>	<b>153.57</b>	<b>\$ 6,296,412</b>

SOFT COSTS			
ACH/USP Report	\$	0.07	\$ 3,000
Appraisal - As-Improved Pre-Construction	\$	-	-
Appraisal - As-Improved Post-Construction	\$	0.16	\$ 6,500
Appraisal - As-Is	\$	0.10	\$ 4,000
Architecture / Engineering	\$	4.39	\$ 180,000
Civil Engineering	\$	-	-
Construction Loan - Construction Inspector	\$	0.48	\$ 19,800
Construction Loan - Lender Legal	\$	0.61	\$ 25,000
Construction Loan - Other Legal	\$	-	-
Development Fee	\$	3.17	\$ 130,000
Environmental Air Quality Study	\$	-	-
Environmental Noise Study	\$	-	-
Environmental Phase I Site Assessment	\$	0.06	\$ 2,400
Environmental Phase II Site Assessment	\$	0.22	\$ 9,000
Environmental Rail Development Study	\$	-	-
Environmental Soils Report	\$	0.11	\$ 4,675
Environmental Traffic Study	\$	0.04	\$ 1,500
Holding Costs - Miscellaneous	\$	-	-
Insurance - Builder's Risk	\$	0.12	\$ 5,000
Insurance - General Liability	\$	0.83	\$ 34,185
Insurance - Umbrella	\$	-	-
Insurance - Environmental	\$	1.22	\$ 50,000
Insurance - Property / Hazard	\$	-	-
Land Use/Planning Consultant	\$	0.09	\$ 3,500
LEED/CHPS Commissioner	\$	-	-
LEED/CHPS Consultant	\$	-	-
Legal Construction	\$	0.24	\$ 10,000
Deferred Leasing Costs	\$	1.10	\$ 45,000
LLC Holding Costs	\$	0.05	\$ 2,000
Local Permit Fees	\$	1.10	\$ 45,000
Property Condition Report	\$	-	-
Security - Site	\$	1.46	\$ 59,500
Seismic Probable Maximum Loss Report	\$	-	-
Survey - ALTA/Topographic Update	\$	0.15	\$ 6,200
Taxes - Real Property	\$	0.29	\$ 12,000
Utilities	\$	0.05	\$ 2,000
Title Policy	\$	0.12	\$ 5,000
Transit Taxes	\$	-	-
ACOM Field Inspection	\$	-	-
P&P Bond	\$	0.36	\$ 14,882
Dep. Inspection & Geotech	\$	-	-
Travel and Admin	\$	0.37	\$ 15,000
Other Consultants	\$	-	-
Reimbursable Expenses to CMO	\$	-	-
Testing - Concrete, Steel	\$	-	-
Capitalized Origination Fee	\$	0.99	\$ 40,346
Capitalized Loan Closing Costs	\$	0.10	\$ 4,000
Capitalized Interest Expense	\$	0.99	\$ 40,400
SUBTOTAL SOFT COSTS	\$	18.12	\$ 769,984

		DISBURSEMENT			
Budget Summary		Costs	Per Sq Ft	% of Total	Per Seat
Acquisition Cost		\$ 305,000	\$ 7.4	4.7%	
Hard Costs		\$ 5,724,011	\$ 139.6	76.7%	
Soft Costs		\$ 783,964	\$ 19.1	10.9%	
Total Project Costs (before Contingencies)		\$ 6,812,975	\$ 166.2	91.0%	\$14,343.1
Hard Cost Contingencies		\$ 572,401	\$ 14.0	7.7%	
Soft Cost Contingencies		\$ 70,396	\$ 1.9	1.2%	
Total Project Costs		\$ 7,463,773	\$ 182.0	100.0%	\$19,715.2

**EXHIBIT F**  
Option to Purchase

CA DETROIT 4001 29S LLC ("**Optionor**"), for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and convey to SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY ("**Optionee**"), an option (the "**Option**") to purchase that certain parcel of land located in the City of Detroit, Wayne County, State of Michigan (the "**Property**") more particularly described in Attachment 1 attached hereto and incorporated herein, together with all buildings, improvements and fixtures located thereon and all rights and privileges and appurtenances pertaining thereto and subject to all easements, restrictions and agreements of record and to the terms and conditions hereinafter set forth.

**1. The Option Period.** The Option may only be exercised by Optionee during the period commencing with the [thirty-seventh (37<sup>th</sup>)] full calendar month of the "Term" established in accordance with the Lease identified herein and ending after completion of the [seventy-second (72<sup>nd</sup>)] full calendar month of the Term (the "**Option Period**").

**2. Exercise of Option.** The Option shall be exercised in the following manner:

(a) During the Option Period, Optionee shall deliver to Optionor written notice (the "**Notice of Exercise**"), which notice shall expressly indicate that Optionee is exercising the Option. The Notice of Exercise shall set forth a closing date for the consummation of the conveyance of the Property to Optionee, which closing date shall be a Business Day (as defined in the Lease) occurring no earlier than twenty (20) and no later than sixty (60) Business Days after Optionor's receipt of the Notice of Exercise (the "**Closing Date**").

(b) The delivery of the Notice of Exercise shall be deemed an irrevocable obligation of Optionee to purchase the Property, and of Optionor to sell the Property, pursuant to all other terms and conditions set forth herein.

(c) The Notice of Exercise shall be accompanied by two (2) originals of the Sale Agreement attached hereto as Attachment 2, duly executed by Optionee.

(d) Notwithstanding anything to the contrary contained herein, this Option shall terminate upon a termination of that certain Lease dated as of February 15, 2013, by and between Optionor, as landlord, and Optionee, as tenant, pursuant to which Optionor leases the Property to Optionee (the "**Lease**"). Capitalized terms used herein and not otherwise defined in this Option shall have the meanings given them in the Lease.

(e) Optionee shall have no right to deliver the Notice of Exercise during the existence of an Event of Default (as defined in the Lease), and Optionee's inability to deliver the Exercise Notice as a result shall not extend the Option Period.

**3. Purchase Price.** The purchase price (the "**Purchase Price**") for the Property is as provided (including as adjusted) under Section 2.4 of the Lease.

**4. Notices.** Any notices under this Option must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a party may designate to the other parties by written notice given in

accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

**If to Optionor:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Glenn Pierce  
Facsimile: (310) 272-1581  
Email: gpierce@canyonagassi.com

**With Copies to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Bari Cooper Sherman, Esq.  
Facsimile: (310) 272-1537  
Email: bsherman@canyonagassi.com

**And to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Antonio Gonzales  
Facsimile: (310) 272-1490  
Email: agonzales@canyonagassi.com

**And to:** Quarles & Brady LLP  
411 East Wisconsin Avenue  
Suite 2350  
Milwaukee, WI 53202  
Attn: Michael J. Ostermeyer  
Facsimile: (414) 978-8956  
Email: michael.ostermeyer@quarles.com

**If to Optionee:** Southwest Detroit Lighthouse Charter Academy  
163 Madison Street  
Room 250  
Detroit, MI 48226  
Attn: Principal  
Facsimile: \_\_\_\_\_  
Email: \_\_\_\_\_@lighthouse-academies.org

**With Copy to:** Lighthouse Academies, Inc.



1661 Worcester Road  
Framingham, MA 01701  
Attention: C. Anne LaTarte  
Facsimile: (508) 626-0905  
Email: [alatarte@lighthouse-academies.org](mailto:alatarte@lighthouse-academies.org)

Any notice by either party hereto, whether required or permissible hereunder, may be given by such party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such party directly.

**5. Time Is of the Essence.** Time is of the essence of each provision of this Option.

**6. Multiple Counterparts.** This Option may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

**7. Assignment.**

(a) Other than in connection with an assignment of Optionee's interest under the Lease in accordance with the Lease, Optionee may not assign this Option or its rights hereunder to any individual or entity without the prior written consent of Optionor, which consent Optionor may grant or withhold in its sole and absolute discretion, and any such assignment shall be null and void *ab initio*. Any transfer, directly or indirectly, of any stock, partnership interest or other ownership interest in Optionee shall constitute an assignment of this Option.

(b) Notwithstanding the foregoing, Optionee may assign this Option and its rights hereunder to any Tenant Affiliate (as defined in the Lease), provided: (i) that Optionee shall not, on the effective date of such assignment, be in default of any term, covenant, or condition of the Lease; (ii) that Optionee shall effect any assignment to a Tenant Affiliate by means of a written instrument in form and substance reasonably acceptable to Optionor, which instrument shall be signed by Optionee and its assignee, and acknowledged by Optionor; and (iii) that the requisite written assignment shall recite Optionor's covenant to remain fully liable for payment and performance of all terms, covenants, and conditions of this Option.

**8. Attorneys' Fees.** Should any action or other proceeding be necessary to enforce any of the provisions of this Option or the various obligations or transactions contemplated hereto, or in the event of any dispute between the Parties relating to this Option, the prevailing party will be entitled to recover, in addition to any other relief to which such party may be entitled, its actual attorneys' fees and costs, and all referee and reference proceeding fees, costs and expenses, incurred in connection with the prosecution or defense, as the case may be, of such action.

**9. Waiver of Jury Trial.** Optionor and Optionee, by their respective acceptances hereof, hereby agree to waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Option or any dealings between the Parties relating to the subject matter of this Option. In the event of litigation, this Option may be filed as a written consent to a trial by the court without a jury.

**10. Governing Law.** This Option shall be governed by the laws of the State in which the Property is located.

**11. Email or Facsimile Signatures.** Signatures to this Option transmitted by electronic mail or facsimile shall be valid and effective to bind the party so signing. Each party hereto agrees to promptly deliver an executed original of this Option with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Option, it being expressly agreed that each party to this Option shall be bound by its own emailed or facsimile signature and shall accept the emailed or facsimile signature of the other party to this Option.

IN WITNESS WHEREOF, this Option has been executed as a sealed instrument as of this \_\_\_\_ day of \_\_\_\_\_, 2013.

*[Signatures begin on next page.]*

**OPTIONOR:**

**CA DETROIT 4001 29S LLC,  
a Delaware limited liability company**

By: \_\_\_\_\_  
Name:  
Title:

**OPTIONEE:**

**SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY,  
a Michigan nonprofit corporation**

By: \_\_\_\_\_  
Name:  
Title:

Attachment 1 to Exhibit F

Legal Description of the Property

Lands situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Lots 39 through 54, both inclusive, West of 29th Street, including the adjacent vacated alley lying West of the West lines of Lots 39 through 53 and lying West of the West line of the South 11.20 feet of Lot 54, in Private Claim 30 of HAMMOND & RICH'S SUBDIVISION, as recorded in Liber 6 of Plats, Page 67, Wayne County Records.

ALSO,

Lots 28 through 43, both inclusive, and Lots 78 through 93, both inclusive, together with the part of vacated 30th Street which is North of Jackson Street, as platted, being adjacent to said Lots, also including the Easterly 3 feet of the North-South alley adjacent to said Lots 28 to 43, both inclusive, and the Westerly 3 feet of the North-South alley adjacent to said Lots 78 to 93, both inclusive, all of HERBERT BOWEN & GEORGE T. ABREY'S SUBDIVISION, as recorded in Liber 15 of Plats, Page 57, Wayne County Records.

ALSO,

Lots 21 through 36, and the North 20.1 feet of Lot 37, including the adjacent vacated alley lying East of the East lines of Lots 22 through 37 and lying East of the East line of the South 8.90 feet of Lot 21, of SCRIPPS AND BREARLEY'S SUBDN, as recorded in Liber 6 of Plats, Page 61, Wayne County Records. Except any other part of Lot 37 taken for street widening.

Attachment 2 to Exhibit F

Form of Sale Agreement

**THIS SALE AGREEMENT** (this "**Agreement**"), effective as of \_\_\_\_\_, 20\_\_ (the "**Purchase Option Date**"), by and between CA DETROIT 4001 29S LLC, a Delaware limited liability company ("**Seller**"), and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY, a Michigan nonprofit corporation ("**Buyer**"). For purposes of this Agreement, the Seller Parties (as defined below) and the Buyer Parties (as defined below) shall together be known as the "**Parties**," and each shall be known as a "**Party**."

**WITNESSES:**

For other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties do hereby agree as follows:

**ARTICLE 1**  
**SALE OF PROPERTY**

Seller agrees to sell, transfer and assign and Buyer agrees to purchase, accept and assume, subject to the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in and to the real property located at 4001 29th Street in the City of Detroit, Wayne County, State of Michigan (such real property being more particularly described on the Addendum A attached to and made a part of this Agreement), together with the building located thereon, and all fixtures and improvements located therein and thereon as of the Closing Date (altogether, the "**Property**").

**ARTICLE 2**  
**PURCHASE PRICE**

2.1 Purchase Price. The purchase price for the Property shall be \$ \_\_\_\_\_ (the "**Purchase Price**"). The Purchase Price shall be payable as provided in Section 2.2. [Note: Purchase Price to be established in accordance with the Option to Purchase Real Estate dated as of \_\_\_\_\_, 2013 between Seller, as Optionor, and Buyer, as Optionee.]

2.2 Payment of Purchase Price. Upon the complete execution and delivery of this Agreement, Buyer shall remit to the Title Company (as defined below) (the "**Escrow Agent**") a sum equal to three percent (3%) of the Purchase Price (the "**Deposit**"), which Deposit shall be held in escrow for application and disbursement as the Deposit under the terms of this Agreement. At Closing, the balance of the Purchase Price in excess of the Deposit, plus or minus any prorations, shall be payable by Buyer to Seller in immediately available funds. This sale shall be closed through Escrow Agent on terms reasonably acceptable to Buyer and Seller.

The Deposit shall be held by the Escrow Agent in an interest-bearing account in a financial institution mutually satisfactory to the Parties. Buyer and Seller hereby acknowledge and agree that the Deposit and all interest earned on the Deposit is, as of the Effective Date, fully-earned by the Seller and is non-refundable in all circumstances (although applicable to the Purchase Price at Closing), except as expressly provided in Sections 6.1 and 6.2 hereof. If the sale of the Property shall be consummated, the Deposit and all interest earned thereon at Closing shall be paid to Seller and credited against the Purchase Price. The Parties shall equally share all fees of the Escrow Agent for its services as escrow agent hereunder.

**ARTICLE 3**  
**AS-IS SALE**

3.1 As-Is Sale. Buyer is the lessee of the Property and is intimately familiar with all aspects of the Property. Buyer acknowledges and agrees as follows: (i) the Property shall be sold, and Buyer shall accept possession of the Property on the Closing Date, "AS IS, WHERE IS, WITH ALL FAULTS", with no right of setoff or reduction in the Purchase Price, (ii) except as set forth in Section 7.2, none of the Seller or its agents, advisors, officers, directors employees, affiliates, members, constituent partners, managers or representatives (collectively, "**Seller Parties**") have or shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Property, (iii) Buyer has independently confirmed to its satisfaction all information that it considers material to its purchase of the Property, and (iv) Buyer expressly understands and acknowledges that it is possible that unknown problems, conditions, losses, costs, damages, claims, liabilities, expenses, demands and obligations may exist with respect to the Property (clauses (i), (ii), (iii) and (iv), the "**Liabilities**") and that Buyer explicitly took that possibility into account in determining and agreeing to the Purchase Price, and that a portion of such consideration, having been bargained for between Parties with the knowledge of the possibility of such unknown Liabilities shall be given in exchange for a full accord and satisfaction and discharge of all such Liabilities.

3.2 Release. BUYER HEREBY RELEASES EACH OF THE SELLER PARTIES FROM, AND WAIVES ANY AND ALL LIABILITIES AGAINST EACH OF THE SELLER PARTIES, WHETHER ARISING OR ACCRUING BEFORE, ON OR AFTER THE DATE HEREOF AND WHETHER ATTRIBUTABLE TO EVENTS OR CIRCUMSTANCES WHICH HAVE HERETOFORE OR MAY HEREAFTER OCCUR. WITHOUT LIMITATION ON THE GENERALITY OF THE FOREGOING, THE FOREGOING RELEASE INCLUDES, WITHOUT LIMITATION, A RELEASE OF ANY AND ALL LIABILITIES WITH RESPECT TO (AND LIABILITIES INCLUDE, WITHOUT LIMITATION) THE STRUCTURAL, PHYSICAL, OR ENVIRONMENTAL CONDITION OF THE PROPERTY; AND ANY AND ALL LIABILITIES RELATING TO THE RELEASE OF OR THE PRESENCE, DISCOVERY OR REMOVAL OF ANY SUBSTANCE, CHEMICAL, WASTE OR MATERIAL THAT IS OR BECOMES REGULATED BY ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AUTHORITY BECAUSE OF ITS TOXICITY, INFECTIOUSNESS, RADIOACTIVITY, EXPLOSIVENESS, IGNITABILITY, CORROSIVENESS OR REACTIVITY, INCLUDING, WITHOUT LIMITATION, ASBESTOS OR ANY SUBSTANCE CONTAINING MORE THAN 0.1 PERCENT ASBESTOS, THE GROUP OF COMPOUNDS KNOWN AS POLYCHLORINATED BIPHENYLS, FLAMMABLE EXPLOSIVES, OIL, PETROLEUM OR ANY REFINED PETROLEUM PRODUCT (COLLECTIVELY, "**HAZARDOUS MATERIALS**") IN, AT, ABOUT OR UNDER THE PROPERTY, OR FOR, CONNECTED WITH OR ARISING OUT OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON CERCLA (COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980, 42 U.S.C. §§9601 *ET SEQ.*, AS AMENDED BY SARA (SUPERFUND AMENDMENT AND REAUTHORIZATION ACT OF 1986) AND AS MAY BE FURTHER AMENDED FROM TIME TO TIME), THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, 42 U.S.C. §§6901 *ET SEQ.*, OR ANY RELATED CLAIMS OR CAUSES OF ACTION OR ANY OTHER FEDERAL, STATE OR MUNICIPAL BASED STATUTORY OR REGULATORY CAUSES OF ACTION FOR ENVIRONMENTAL CONTAMINATION AT, IN, ABOUT OR UNDER THE PROPERTY. EXCEPT WITH RESPECT TO THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 7.2 BELOW, WITHOUT LIMITATION ON THE GENERALITY OF

THE FOREGOING, NEITHER BUYER NOR ANY OF BUYER'S AFFILIATES NOR ANY OF THEIR REPRESENTATIVES, EMPLOYEES, OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AGENTS, CONTRACTORS, SUCCESSORS, ASSIGNS OR INVITEES (COLLECTIVELY, THE "BUYER PARTIES") SHALL HAVE ANY CLAIM, RIGHT OR DEFENSE AGAINST SELLER OR ANY OF THE SELLER PARTIES WITH RESPECT TO, IN CONNECTION WITH OR ARISING OUT OF THE PROPERTY, AND BUYER WAIVES, ON BEHALF OF BUYER AND THE BUYER PARTIES, ANY AND ALL SUCH CLAIMS, RIGHTS AND DEFENSES OF BUYER AND THE BUYER PARTIES AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND SELLER AND THE SELLER PARTIES FROM AND AGAINST ANY AND ALL SUCH CLAIMS, RIGHTS AND DEFENSES OF BUYER AND THE BUYER PARTIES.

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Buyer's Initials

#### ARTICLE 4 CLOSING COSTS

Seller shall pay the following costs and expenses associated with the transactions contemplated hereby (the "Transaction"): (i) one-half of all recording and filing charges in connection with the instrument by which Seller conveys the Property; (ii) one-half of the escrow or closing charges; and (iii) all fees due its attorneys in connection with the Transaction. Buyer shall pay (i) all premiums and charges of the Title Company for the Title Policy (as hereinafter defined); (ii) all charges for any current survey of the Property required for issuance of the Title Policy; (iii) one-half of all recording and filing charges in connection with the instrument by which Seller conveys the Property; (iv) one-half of the escrow or closing charges; (v) all transfer taxes, sales taxes and similar charges, if any, applicable to the transfer of the Property to Buyer; (vi) all fees due its attorneys in connection with the Transaction, and (vii) all lenders' fees related to any financing to be obtained by Buyer. The obligations of the Parties under this Article 4 shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

#### ARTICLE 5 CLOSING

5.1 Closing Date. Closing shall occur on a date mutually agreed by the Parties (the "Closing Date"), which Closing Date shall be \_\_\_\_\_ [SPECIFY DATE not less than twenty (20) nor more than sixty (60) Business Days after the Purchase Option Date]. The Parties shall conduct an escrow-style closing through the Title Company (the "Escrow Agent") so that it will not be necessary for any Party to attend the closing of the Transaction.

5.2 Title Transfer and Payment of Purchase Price. Provided all conditions precedent to Seller's obligations hereunder have been satisfied, Seller agrees to convey the Property to Buyer upon confirmation of receipt of the Purchase Price by the Escrow Agent as set forth below. Notwithstanding the foregoing, in addition to its other rights and remedies, Seller shall have the right to terminate this Agreement at any time if such payment is not received in Seller's designated account by 5:00 p.m. local time at the Property on the Closing Date.

5.3 Seller's Closing Deliveries. No later than 5:00 p.m. local time at the Property on the last Business Day (defined as every calendar day Monday through Friday, inclusive, but excluding

legal holidays of the United States and the State of Michigan before the Closing Date, Seller shall deliver or cause to be delivered the following:

(a) Deed. A Special Warranty Deed in the form of Addendum B attached hereto and incorporated herein by this reference (“Deed”) executed and acknowledged by Seller, conveying title to the Property in fee simple absolute free and clear of liens and encumbrances except only the following: recorded easements for utilities and for the distribution of municipal services of every kind serving the Property; recorded building and use restrictions; agreements entered into under any municipal, zoning, or building codes or regulations; taxes and assessments, general and special, levied in the year of the Closing and thereafter, not yet due; and the Original Encumbrances (as defined in Section 6.2(c) below).

(b) Bill of Sale. A bill of sale in the form of Addendum C attached hereto and incorporated herein by this reference (“Bill of Sale”) executed and acknowledged by Seller.

(c) Non-Foreign Status Affidavit. A non-foreign status affidavit substantially in the form of Addendum D attached hereto and incorporated herein by this reference, as required by Section 1445 of the Internal Revenue Code executed by Seller.

(d) Drawings. To the extent not already obtained by or delivered to Buyer, copies of any survey of the Property and any architectural or engineering drawings of the Property and utilities layout plans in Seller's possession or under its control; provided, however, that Seller makes no representation or warranty with respect to the same.

(e) Warranties. Copies of all assignable warranties and guaranties of the equipment or improvements located at the Property to the extent in Seller's possession or control; provided, however, that Seller makes no representation or warranty with respect to the same.

(f) Title Company Documents. An owner's affidavit, a so-called “gap” affidavit, undertaking or indemnity, as applicable, and a broker lien affidavit, as may be customarily supplied to the Title Company to enable the Title Company to issue the Title Policy; provided, however, that such affidavits, undertakings and/or indemnities shall reflect that Buyer has leased all of the Property before the Closing Date pursuant to that certain Lease Agreement dated as of February 15, 2013 pursuant to which Seller, as Landlord, leased the Property to Buyer, as Tenant (the “Lease”)Lease.

(g) Evidence of Authority. Documentation to establish to Buyer's reasonable satisfaction the due authorization of Seller's disposition of the Property and Seller's execution of this Agreement and the documents required to be delivered by Seller and the consummation of the Transaction.

(h) Other Documents. Such other documents as may be reasonably required by the Title Company or may be agreed upon by Seller and Buyer to consummate the Transaction.

5.4 Buyer's Closing Deliveries. No later than 5:00 p.m. local time at the Property on the last Business Day before the Closing Date, Buyer shall deliver or cause to be delivered the following:



(a) Purchase Price. The Purchase Price, plus any other amounts required to be paid by Buyer at Closing.

(b) Bill of Sale. The Bill of Sale executed by Buyer.

(c) Evidence of Authority. Documentation to establish to Seller's reasonable satisfaction the due authorization of Buyer's acquisition of the Property and Buyer's execution of this Agreement and the documents required to be delivered by Buyer and the consummation of the Transaction.

(d) Other Documents. Such other documents as may be reasonably required by the Title Company or may be agreed upon by Seller and Buyer to consummate the Transaction.

## **ARTICLE 6**

### **CONDITIONS TO CLOSING**

6.1 Conditions to Seller's Obligations. Seller's obligation to close the Transaction is conditioned on all of the following, any or all of which may be waived by Seller by an express written waiver, at its sole option:

(a) Representations True. All representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date except to the extent they expressly relate to an earlier date;

(b) Buyer's Financial Condition. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar State or Federal Law, whether now or hereafter existing; and

(c) Buyer's Deliveries Complete. Buyer shall have delivered the funds required hereunder and all of the documents to be executed by Buyer set forth in Section 5.4 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Buyer at or before the Closing Date.

6.2 Conditions to Buyer's Obligations. Buyer's obligation to close the Transaction is conditioned on all of the following, any or all of which may be expressly waived by Buyer in writing, at its sole option:

(a) Representations True. The representations made by Seller in Section 7.2 shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such;

(b) Seller's Deliveries Complete. Seller shall have delivered all of the documents and other items required pursuant to Section 5.3 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Seller at or before the Closing Date.

(c) Title Policy. At Closing, Fidelity National Title Insurance Company, or its successor (the "**Title Company**") shall issue to Buyer an owner's title insurance policy, with customary extended coverage endorsements, in the amount of Buyer's purchase financing, showing title to the Property to be vested in Buyer subject only to (i) taxes and assessments, general and special, not yet due and payable, (ii) any exceptions created by Buyer or any of Buyer's agents, representatives, invitees, employees, contractors or affiliates or anyone claiming by or through any of the foregoing, (iii) exceptions shown on that certain Commitment for Title Insurance number N-107716/12-107716 issued by the Title Company and dated October 3, 2012, (iv) agreements entered into under any municipal, zoning, or building codes or regulations, and (v) exceptions necessary to permit the use of the Property for the uses permitted under the Lease ((i)-(v) altogether being known as the "**Original Encumbrances**") (the "**Title Policy**").

6.3 **Waiver of Failure of Conditions Precedent**. At any time or times on or before the date specified for the satisfaction of any condition, Seller or Buyer may elect in writing to waive the benefit of any such condition set forth in Section 6.1 or Section 6.2, respectively. By closing the Transaction, Seller and Buyer shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in Section 6.1 and Section 6.2, respectively. If any of the conditions set forth in Sections 6.1 or 6.2 are neither waived nor fulfilled, Seller or Buyer (as appropriate) may exercise such rights and remedies, if any, that such Party may have pursuant to the terms of Article 9 hereof.

6.4 **Waiver of Tender of Deed and Purchase Monies**. The tender of an executed Deed by Seller and the tender by Buyer of the portion of the Purchase Price payable at Closing are mutually waived, but nothing in this Agreement shall be construed as a waiver of Seller's obligation to deliver the Deed and/or of the concurrent obligation of Buyer to pay the portion of the Purchase Price payable at Closing.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES**

7.1 **Buyer's Representations**. Buyer represents and warrants to, and covenants with, Seller as follows:

7.1.1 Buyer's Authorization. Buyer (i) is duly organized (or formed), validly existing and in good standing under the laws of its State of organization and, to the extent required by law, the State in which the Property is located, (ii) is authorized to consummate the Transaction and fulfill all of its obligations hereunder, and (iii) has all necessary power to execute and deliver this Agreement and all documents contemplated hereby to be executed by Buyer, and to perform all of Buyer's obligations hereunder and thereunder. This Agreement and all Closing Documents to be executed by Buyer have been duly authorized by all requisite partnership, corporate or other required action on the part of Buyer and are the valid and legally binding obligation of Buyer, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement or any other document to be executed by Buyer, nor the performance of the obligations of Buyer hereunder or thereunder will result in the violation of any Law or any provision of the organizational documents of Buyer or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Buyer is bound.

7.1.2 Buyer's Financial Condition. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar State or Federal Law.

7.1.3 PATRIOT Act Compliance. Neither Buyer nor, to Buyer's actual knowledge, any person, group, entity or nation that Buyer is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Buyer is not engaging in this Transaction, directly or, to Buyer's actual knowledge, indirectly, on behalf of, or instigating or facilitating this Transaction, directly or, to Buyer's actual knowledge, indirectly, on behalf of, any such person, group, entity or nation. Buyer is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Buyer have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Buyer is prohibited by Law or that the Transaction or this Agreement is or will be in violation of Law. Buyer has and shall continue to implement procedures, and has consistently and shall continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times before Closing.

## 7.2 Seller's Representations.

7.2.1 Seller's Authorization. Seller represents and warrants to Buyer that Seller (i) is duly organized (or formed), validly existing and in good standing under the laws of its State of organization and, to the extent required by law, the State in which the Property is located, (ii) is authorized to consummate the Transaction and fulfill all of its obligations hereunder and under all documents to be executed by Seller pursuant hereto, and (iii) has all necessary power to execute and deliver this Agreement and such other documents to be executed by Seller, and to perform all of Seller's obligations hereunder and thereunder. This Agreement and all documents to be executed by Seller pursuant hereto have been duly authorized by all requisite partnership, corporate or other required action on the part of Seller and are the valid and legally binding obligation of Seller, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement or the other documents to be executed by Seller pursuant hereto, nor the performance of the obligations of Seller hereunder or thereunder will result in the violation of any Law or any provision of the organizational documents of Seller or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Seller is bound.

7.2.2 Seller's Financial Condition. No petition has been filed by or against Seller under the Federal Bankruptcy Code or any similar State or Federal Law.

7.2.3 PATRIOT Act Compliance. Neither Seller nor to Seller's actual knowledge, any person, group, entity or nation that Seller is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign

Assets Control, and Seller is not engaging in this Transaction, directly or, to Seller's actual knowledge, indirectly, on behalf of, or instigating or facilitating this Transaction, directly or, to Seller's actual knowledge, indirectly, on behalf of, any such person, group, entity or nation. Seller is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. Seller has and shall continue to implement procedures, and has consistently and shall continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times before Closing.

7.3 Survival. The representations set forth in this Article 7 shall survive the Closing or any termination of this Agreement.

7.4 Maximum Liability. In the event of a breach of Section 7.2.1 before Closing, Buyer's sole remedy shall be to terminate this Agreement; provided, however, that Seller shall have the right to cure such breach and to extend the Closing date to do so.

## **ARTICLE 8**

### **BROKERS**

Each Party represents to the other that it has not dealt with any broker in connection with the Transaction to whom a commission or fee is or may be owing as a result of the Transaction. Seller agrees to hold Buyer harmless and indemnify Buyer from and against any and all fees, commissions, costs, claims or expenses (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Buyer as a result of any claims by any party claiming to have represented Seller as broker in connection with the Transaction. Buyer agrees to hold Seller harmless and indemnify Seller from and against any and all fees, commissions, costs, claims or expenses (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Seller as a result of any claims by any other party claiming to have represented Buyer as broker in connection with the Transaction. This Article 8 shall survive the Closing or any termination of this Agreement.

## **ARTICLE 9**

### **DEFAULT**

9.1 By Buyer. If, on or before the Closing Date, (i) Buyer is in default of any of its obligations hereunder, or (ii) any of Buyer's representations or warranties are, in the aggregate, untrue, inaccurate or incorrect, in any material respect, or (iii) the Closing otherwise fails to occur by reason of Buyer's failure or refusal to perform its obligations hereunder, then Seller may elect to (i) terminate this Agreement by written notice to Buyer and receive immediate payment of the Deposit as liquidated damages for Buyer's default; (ii) waive the condition and proceed to close the Transaction; or (iii) exercise any and all remedies allowed at law, in equity, or otherwise, and recover damages. If this Agreement is so terminated, then neither Party shall have any further rights or obligations hereunder other than any arising under any section herein which expressly provides that it survives the termination of this Agreement.

9.2 By Seller. If, at the Closing, (i) Seller is in default of any of its obligations hereunder, or (ii) any of Seller's representations or warranties in Section 7.2 are, in the aggregate, untrue, inaccurate or incorrect in any material respect, or (iii) the Closing otherwise fails to occur by reason of Seller's failure or refusal to perform its obligations hereunder, then Buyer shall have the right, to elect, as its sole and exclusive remedy, to (a) terminate this Agreement by written notice to

Seller, and thereafter, the Parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, (b) waive the condition and proceed to close the Transaction, or (c) if the Closing fails to occur, seek specific performance of this Agreement by Seller. As a condition precedent to Buyer exercising any right it may have to bring an action for specific performance hereunder, Buyer must commence such an action within thirty (30) Business Days after the occurrence of Seller's default. Buyer agrees that its failure to timely commence such an action for specific performance within such thirty (30) Business Day period shall be deemed a waiver by it of its right to commence an action for specific performance as well as a waiver by it of any right it may have to file or record a notice of *lis pendens* or notice of pendency of action or similar notice against any portion of the Property.

#### **ARTICLE 10** **CONDEMNATION/CASUALTY**

10.1 Allocation of Proceeds and Awards. If a condemnation or casualty occurs, except for a condemnation of the entire Property or complete destruction of all of the building(s) and improvements on the Property in which case either Buyer or Seller may elect to terminate this Agreement, this Agreement shall remain in full force and effect, Buyer shall acquire the remainder of the Property upon the terms and conditions set forth herein and at the Closing and, if Seller has received such awards or proceeds, after deducting any costs of collection, Seller shall pay the same to Buyer, and if Seller has not received such awards or proceeds, Seller shall assign to Buyer at the Closing (without recourse to Seller) the rights of Seller to, and Buyer shall be entitled to receive and retain, such awards or proceeds.

10.2 Waiver. The provisions of this Article 10 supersede the provisions of any applicable laws with respect to the subject matter of this Article 10.

#### **ARTICLE 11** **MISCELLANEOUS**

11.1 Buyer's Assignment. Buyer may not assign this Agreement or its rights hereunder to any individual or entity without the prior written consent of Seller, which consent Seller may grant or withhold in its reasonable discretion, and any such assignment shall be null and void *ab initio*. Any transfer, directly or indirectly, of any stock, partnership interest or other ownership interest in Buyer shall constitute an assignment of this Agreement.

11.2 Survival/Merger. Except for the provisions of this Agreement which are explicitly stated to survive the Closing, (i) none of the terms of this Agreement shall survive the Closing, and (ii) the delivery of the Purchase Price, the Deed and the other documents to be delivered in connection herewith and the acceptance thereof shall effect a merger, and be deemed the full performance and discharge of every obligation on the part of Buyer and Seller to be performed hereunder.

11.3 Integration; Waiver. This Agreement, together with the Exhibits hereto, embodies and constitutes the entire understanding between the Parties with respect to the Transaction and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the Party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then

only to the extent set forth in such instrument. No waiver by either Party of any failure or refusal by the other Party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

11.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State in which the Property is located, without reference to any choice of law provisions or principles.

11.5 Captions Not Binding; Exhibits. The captions in this Agreement are inserted for reference only and in no way define, describe or limit the scope or intent of this Agreement or of any of the provisions hereof. All Exhibits attached hereto shall be incorporated by reference as if set out herein in full.

11.6 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

11.7 Severability. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

11.8 Notices. Any notices under this Option must be in writing and must be sent by (i) personal delivery, (ii) by United States registered or certified mail (postage prepaid), (iii) by electronic mail or facsimile (with a copy sent the same day by one of the other prescribed methods of delivery) or (iv) by an independent overnight courier service, addressed to the addresses specified below or at such other place as a Party may designate to the other Parties by written notice given in accordance with this Section. Notices given by registered or certified mail are deemed effective three (3) Business Days after the Party sending the notice deposits the notice with the United States Post Office. Notices given by electronic mail or facsimile are deemed effective on the Business Day transmitted (or, if transmitted on a day that is not a Business Day, then on the next occurring Business Day). Notices delivered by overnight courier are deemed effective on the next Business Day after the day the Party delivering the notice timely deposits the notice with the courier for overnight (next day) delivery.

**If to Seller:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Glenn Pierce  
Facsimile: (310) 272-1581  
Email: gpierce@canyonagassi.com

**With Copies to:** CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Bari Cooper Sherman, Esq.  
Facsimile: (310) 272-1537

Email: bsherman@canyonagassi.com

And to: CA Detroit 4001 29S LLC  
c/o Canyon-Agassi Charter School Facilities Fund, L.P.  
2000 Avenue of the Stars, 11th Floor  
Los Angeles, CA 90067  
Attention: Antonio Gonzales  
Facsimile: (310) 272-1490  
Email: agonzales@canyonagassi.com

And to: Quarles & Brady LLP  
411 East Wisconsin Avenue  
Suite 2350  
Milwaukee, WI 53202  
Attn: Michael J. Ostermeyer  
Facsimile: (414) 978-8956  
Email: michael.ostermeyer@quarles.com

If to Buyer: Southwest Detroit Lighthouse Charter Academy  
163 Madison Street  
Room 250  
Detroit, MI 48226  
Attn: Principal  
Facsimile: \_\_\_\_\_  
Email: \_\_\_\_\_@lighthouse-academies.org

With Copy to: Lighthouse Academies, Inc.  
1661 Worcester Road  
Framingham, MA 01701  
Attention: C. Anne LaTarte  
Facsimile: (508) 626-0905  
Email: alatarte@lighthouse-academies.org

Any notice by either Party hereto, whether required or permissible hereunder, may be given by such Party's then current attorney, which notice, when given by such attorney, shall be deemed equally as effective as if given by such Party directly.

11.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

11.10 No Recordation. Seller and Buyer each agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded and Buyer agrees (i) not to file any notice of pendency or other instrument (other than a judgment) against the Property or any portion thereof in connection herewith and (ii) to indemnify Seller against all Liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred by Seller by reason of the filing by Buyer of such notice of pendency or other instrument. Notwithstanding the foregoing, if the same is permitted pursuant to applicable law, Buyer shall be entitled to record a notice of *lis pendens* if Buyer is

entitled to seek (and is actually seeking) specific performance of this Agreement by Seller in accordance with the terms of Section 9.2 hereof.

11.11 Additional Agreements; Further Assurances. Subject to the terms and conditions herein provided, each of the Parties shall execute and deliver such documents as the other Party shall reasonably request in order to consummate and make effective the Transaction; provided, however, that the execution and delivery of such documents by such Party shall not result in any additional liability or cost to such Party.

11.12 Construction. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement, any amendment or modification hereof or any of the Closing Documents.

11.13 Time of Essence. Time is of the essence with respect to this Agreement.

11.14 Waiver of Jury Trial. Each of the Parties hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based on or arising out of: this Agreement or any other document or instrument between the Parties relating to this Agreement; the property; or any dealings between the Parties relating to the subject matter of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court without a jury.

11.15 Email or Facsimile Signatures. Signatures to this Agreement transmitted by electronic mail or facsimile shall be valid and effective to bind the Party so signing. Each Party agrees to promptly deliver an executed original of this Agreement with its actual signature to the other Party, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each Party shall be bound by its own emailed or facsimile signature and shall accept the emailed or facsimile signature of the other Party.

11.16 Attorneys' Fees. Should any action or other proceeding be necessary to enforce any of the provisions of this Agreement or the various obligations or transactions contemplated hereto, or in the event of any dispute between the Parties relating to this Agreement, the prevailing Party shall be entitled to recover, in addition to any other relief to which such Party may be entitled, its actual attorneys' fees and costs, and all referee and reference proceeding fees, costs and expenses, incurred in connection with the prosecution or defense, as the case may be, of such action.

*[Signatures begin on next page.]*



IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed as of the Purchase Option Date.

**SELLER:**

**CA DETROIT 4001 29S LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_

Name:

Title:

**BUYER:**

**SOUTHWEST DETROIT LIGHTHOUSE,**  
**CHARTER ACADEMY,**  
a Michigan nonprofit corporation

By: \_\_\_\_\_

Name:

Title:

**ADDENDUM A**  
(of Attachment 2 to Exhibit F)

**LEGAL DESCRIPTION**

Lands situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Lots 39 through 54, both inclusive, West of 29th Street, including the adjacent vacated alley lying West of the West lines of Lots 39 through 53 and lying West of the West line of the South 11.20 feet of Lot 54, in Private Claim 30 of HAMMOND & RICH'S SUBDIVISION, as recorded in Liber 6 of Plats, Page 67, Wayne County Records.

ALSO,

Lots 28 through 43, both inclusive, and Lots 78 through 93, both inclusive, together with the part of vacated 30th Street which is North of Jackson Street, as platted, being adjacent to said Lots, also including the Easterly 3 feet of the North-South alley adjacent to said Lots 28 to 43, both inclusive, and the Westerly 3 feet of the North-South alley adjacent to said Lots 78 to 93, both inclusive, all of HERBERT BOWEN & GEORGE T. ABREY'S SUBDIVISION, as recorded in Liber 15 of Plats, Page 57, Wayne County Records.

ALSO,

Lots 21 through 36, and the North 20.1 feet of Lot 37, including the adjacent vacated alley lying East of the East lines of Lots 22 through 37 and lying East of the East line of the South 8.90 feet of Lot 21, of SCRIPPS AND BREARLEY'S SUBDN, as recorded in Liber 6 of Plats, Page 61, Wayne County Records. Except any other part of Lot 37 taken for street widening.

**ADDENDUM B**  
(of Attachment 2 to Exhibit F)

**FORM OF SPECIAL WARRANTY DEED**

This Deed is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, the address of which is \_\_\_\_\_ ("Grantor"), to \_\_\_\_\_, whose address is \_\_\_\_\_ ("Grantee").

Grantor, for good and valuable consideration, receipt of which is acknowledged (Real Estate Transfer Tax Valuation Affidavit filed), does hereby grant and convey to Grantee certain real property situated in the \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ County, Michigan, and described as:

\_\_\_\_\_ Tax Parcel No. \_\_\_\_\_ (the "Premises")

Subject to the matters set forth in attached **Exhibit A** (collectively, "Permitted Encumbrances"),

TO HAVE AND TO HOLD the Premises unto Grantee forever; and Grantor does hereby covenant and agree with Grantee that Grantor has not heretofore done, committed or willingly suffered to be done or committed, any act, matter or thing whatsoever whereby the Premises is or shall be charged or encumbered in the title, estate, or otherwise, howsoever except for the Permitted Encumbrances.

IN WITNESS WHEREOF, Grantor has executed this Deed on the date first above written.

By: \_\_\_\_\_

STATE OF MICHIGAN       )  
                                      ) SS.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_, Notary Public  
\_\_\_\_\_, County, Michigan  
My commission expires: \_\_\_\_\_  
Acting in \_\_\_\_\_ County, MI

Drafted by:  
Timothy M. Koltun, Esq.  
Clark Hill PLC  
500 Woodward Avenue, Suite 3500  
Detroit, MI 48226

When recorded return to:

**ADDENDUM C**  
(of Attachment 2 to Exhibit F)

**FORM OF BILL OF SALE**

THIS BILL OF SALE (this "**Bill of Sale**"), is made as of \_\_\_\_\_, 20\_\_ by and between CA DETROIT 4001 29S LLC ("**Seller**") and SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY ("**Buyer**").

WITNESSES:

WHEREAS, pursuant to the terms of that certain Sale Agreement, dated as of \_\_\_\_\_, 20\_\_, by and between Seller and Buyer (as the same may be amended or modified, the "**Sale Agreement**"), Seller agreed to sell to Buyer, *inter alia*, certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the "**Real Property**"). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, in connection with the above described conveyance Seller desires to sell, transfer and convey to Buyer certain items of tangible personal property as hereinafter described.

NOW, THEREFORE, in consideration of the receipt of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid in hand by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller has GRANTED, CONVEYED, SOLD, TRANSFERRED, SET OVER and DELIVERED and by these presents does hereby GRANT, SELL, TRANSFER, SET OVER and DELIVER to Buyer, its legal representatives, successors and assigns, and Buyer hereby accepts (i) all right, title and interest in and to all tangible personal property owned by Seller that is located on the Real Property and used in the ownership, operation and maintenance of the Real Property, (ii) a non-exclusive interest in any assignable warranties and guaranties of the equipment or improvements located at the Real Property, and (iii) a non-exclusive interest in any assignable representations which Seller received from its seller when it acquired the Real Property.

This Bill of Sale is made without any covenant, warranty or representation by, or recourse against, Seller as more expressly set forth in the Sale Agreement and without limitation on the foregoing is subject to the terms and provisions of Article 3 of the Sale Agreement, which is incorporated herein by reference.

This Bill of Sale may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

If any term or provision of this Bill of Sale or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Bill of Sale or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Bill of Sale shall be valid and enforced to the fullest extent permitted by law.

Signatures to this Bill of Sale transmitted by electronic mail or facsimile shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Bill

of Sale with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Bill of Sale, it being expressly agreed that each party to this Bill of Sale shall be bound by its own emailed or facsimile signature and shall accept the emailed or facsimile signature of the other party to this Bill of Sale.

**IN WITNESS WHEREOF**, the undersigned have executed this Bill of Sale to be effective as of the date first set forth hereinabove.

**SELLER:**

**CA DETROIT 4001 29S LLC,**  
**a Delaware limited liability company**

By: \_\_\_\_\_  
Name:  
Title:

**BUYER:**

**SOUTHWEST DETROIT LIGHTHOUSE  
CHARTER ACADEMY,**  
**a Michigan nonprofit corporation**

By: \_\_\_\_\_  
Name:  
Title:

**ADDENDUM D**  
(of Attachment 2 to Exhibit F)

**FORM OF FIRPTA AFFIDAVIT**

Section 1445 of the Internal Revenue Code (the “**Code**”) provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by CA Detroit 4001 29S LLC (“**Seller**”), the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Seller is not a disregarded entity as defined in §1.1445-2(b)(2)(iii) of the Code; and
3. Seller’s U.S. employer taxpayer identification number is \_\_\_\_\_; and
4. Seller’s office address is \_\_\_\_\_.

Seller understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under the penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Seller.

Dated: \_\_\_\_\_, 20\_\_\_\_

**SELLER:**

**CA DETROIT 4001 29S LLC,**  
**a Delaware limited liability company**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT G**  
Form of Memorandum of Lease

WHEN RECORDED RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS MEMORANDUM OF LEASE** (the “Memorandum”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2013 (the “Effective Date”), by and between SOUTHWEST DETROIT LIGHTHOUSE CHARTER ACADEMY (“Tenant”) and CA DETROIT 4001 29S LLC (“Landlord”).

**WITNESSETH:**

**WHEREAS**, pursuant to a Lease Agreement (the “Lease”) dated as of February 15, 2013 between Landlord and Tenant: Landlord has let to Tenant, and Tenant has leased from Landlord, a certain parcel of real property located in the City of Detroit, Wayne County, State of Michigan commonly known as 4001 29th Street, which parcel is legally described on Attachment 1 attached to and made a part of this Memorandum; and

**WHEREAS**, likewise pursuant to the Lease, Landlord has granted to Tenant an Option to Purchase the Property (the “Option”), on terms and conditions set forth in the Lease.

**WHEREAS**, Landlord and Tenant wish to make the existence of the Lease a matter of public record.

**NOW THEREFORE**, for value received, Landlord and Tenant agree that this Memorandum shall be recorded in the public land records of Wayne County, Michigan, and that this Memorandum shall put all persons on notice of the following with respect to the Lease:

LANDLORD: CA Detroit 4001 29S LLC,  
a Delaware limited liability company

TENANT: Southwest Detroit Lighthouse Charter Academy,  
a Michigan nonprofit corporation

DATE OF EXECUTION: February 15, 2013

RENT COMMENCEMENT DATE [As determined under Section 2.1 of the Lease]

DESCRIPTION OF LEASED PREMISES: Land, building and improvements located at 4001 29th Street in the City of Detroit, Wayne County, State of Michigan, as more particularly shown on Exhibit A to the Lease.

TERM: 29 Lease Years, plus the potential partial Lease Year occurring

between the Commencement Date (as that term is defined in the Lease) and June 30, 2013.

OPTION:

Option to purchase the property during a defined period specified in the Lease, for a Purchase Price calculated according to the terms of the Lease

**This Memorandum is not a complete summary of the Lease or the Option, and the provisions of this Memorandum shall not be used in interpreting the Lease or the Option. In the event of conflict between this Memorandum and the unrecorded Lease or the unrecorded Option, the unrecorded Lease and the unrecorded Option shall control.**

*[Signatures continue on next page.]*





LANDLORD:  
CA DETROIT 4001 29S LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF CALIFORNIA                    )  
  )ss.  
COUNTY OF LOS ANGELES            )

This Memorandum of Ground Lease dated \_\_\_\_\_, 2013, consisting of \_\_\_\_\_ ( ) pages (including all signature pages, exhibits, schedules and other pages appended or attached to the aforesaid document), was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, the \_\_\_\_\_ of CA Detroit 4001 29S LLC, a Delaware limited liability company who personally appeared before me and is known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

**EXHIBIT H**  
Base Rent Schedule

Lease Year	Period	Annualized Base Rent	Monthly Installments
1	Rent Commencement Date- August 31, 2013	\$0.00	\$0.00
	September 1, 2013-June 30, 2014	\$298,100	\$24,842
2	July 1, 2014-June 30, 2015	\$339,900	\$28,325
3	July 1, 2015-June 30, 2016	\$391,600	\$32,633
4	July 1, 2016-June 30, 2017	\$444,400	\$37,033
5	July 1, 2017-June 30, 2018	\$746,377	\$62,198
6	July 1, 2018-June 30, 2019	\$826,150	\$68,846
7	July 1, 2019-June 30, 2020	\$844,739	\$70,395
8	July 1, 2020-June 30, 2021	\$863,745	\$71,979
9	July 1, 2021-June 30, 2022	\$883,180	\$73,598
10	July 1, 2022-June 30, 2023	\$903,051	\$75,254
11	July 1, 2023-June 30, 2024	\$923,370	\$76,947
12	July 1, 2024-June 30, 2025	\$944,146	\$78,679
13	July 1, 2025-June 30, 2026	\$965,389	\$80,449
14	July 1, 2026-June 30, 2027	\$987,110	\$82,259
15	July 1, 2027-June 30, 2028	\$1,009,320	\$84,110
16	July 1, 2028-June 30, 2029	\$1,032,030	\$86,002
17	July 1, 2029-June 30, 2030	\$1,055,250	\$87,938
18	July 1, 2030-June 30, 2031	\$1,078,994	\$89,916
19	July 1, 2031-June 30, 2032	\$1,103,271	\$91,939
20	July 1, 2032-June 30, 2033	\$1,128,095	\$94,008
21	July 1, 2033-June 30, 2034	\$1,153,477	\$96,123
22	July 1, 2034-June 30, 2035	\$1,179,430	\$98,286
23	July 1, 2035-June 30, 2036	\$1,205,967	\$100,497
24	July 1, 2036-June 30, 2037	\$1,233,101	\$102,758
25	July 1, 2037-June 30, 2038	\$1,260,846	\$105,071
26	July 1, 2038-June 30, 2039	\$1,289,215	\$107,435
27	July 1, 2039-June 30, 2040	\$1,318,223	\$109,852
28	July 1, 2040-June 30, 2041	\$1,347,883	\$112,324
29	July 1, 2041-June 30, 2042	\$1,378,210	\$114,851

# **EXHIBIT J** **Building Maintenance Checklist**

Building Maintenance Checklist

PROPERTY ADDRESS: 4001 29th Street, City of Detroit Michigan DATE: PERSON:

SITE	INSPECTION/MAINTENANCE PROCEDURES	FREQUENCY				UNDER SERVICE CONTRACT	NOTES
		WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	
✓	Remove and dispose of all fallen tree limbs, dead shrubs, etc.	X					
	Remove brush and weed growth adjacent to building walls and electrical equipment.		X				
	Reseed worn lawn areas.			X			
	Fertilize lawn.			X			
	Trim and prune shrubs and trees.		X				
	Repair irrigation system.	X					
	Clean all site drains.			X			
	Repair potholes in parking lots and driveways. Restripe if necessary.				X		
	Check and service playground equipment and insure its safety.			X			IMMEDIATELY FOR SAFETY
	Patch and repair walkway surfaces.					X	
	Paint walkway markings.						
	Repair and paint fences and gates.			X			

BUILDING EXTERIOR	INSPECTION/MAINTENANCE PROCEDURES	FREQUENCY				UNDER SERVICE CONTRACT	NOTES
		WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	
✓	Wash windows.				X		
	Check and repair windows and doors.					X	
	Replace broken window glass as needed.						
	Scrape and paint building exterior and trim.			Every 7 years			IMMEDIATELY FOR SAFETY
	Wash accumulated dirt on building surfaces.					X	
	Touch up paint on building exterior.					X	
	Lubricate exterior door hinges and hardware.					X	
	Inspect and repair exterior walls for structural cracks.					X	

ROOF	INSPECTION/MAINTENANCE PROCEDURES	FREQUENCY				NOTES	
		WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT
✓	Clean roof valleys.					X	
	Clean and test roof drains.					X	
	Clean and secure gutters.					X	
	Clean and secure downspouts.					X	
	Inspect skylights for leaks.					X	
	Inspect and repair metal flashings.					X	
	Inspect and recaulk stone or clay tile copings.					X	

BUILDING INTERIOR	INSPECTION/MAINTENANCE PROCEDURES	FREQUENCY				NOTES	
		WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT
✓	Clean windows, blinds, draperies, etc.			X			
	Check floors for broken tiles or torn carpet.		X				
	Remove all rubbish, boxes, debris and combustibles from:						
	Paths of exit	X					
	Doorways	X					
	Stairs	X					
	Under stairs	X					
	Utility rooms	X					
	Around flue and chimneys	X					
	Around heat-producing equipment	X					
	Electrical panel areas	X					

MECHANICAL EQUIPMENT	INSPECTION/MAINTENANCE PROCEDURES	FREQUENCY				NOTES	
		WEEKLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	UNDER SERVICE CONTRACT
✓	Service all pumps per manufacturer's instruction manuals.						
	Service all air-conditioning equipment.						
	Service all ventilating equipment.					X	
	Check hot water heater for any fuel or water leaks.		X				
	Check openings or motorized dampers which provide combustion air to hot water heaters.			X			
	Check cleanout openings, doors, etc., for air leakage and corrosion.			X			

